

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

Paris, Thursday, October 5, 1995

No. 35,023

Simpson Juror Lays Acquittal to Weak Case, Not Race

Los Angeles Times Service

LOS ANGELES — A former Black Panther on the jury — the man who gave a black power salute when the trial was over — said it was not race that swayed the panel to acquit O. J. Simpson. It was the weakness of the prosecution's case, he said.

After 126 witnesses, 1,105 pieces of evidence and 45,000 pages of testimony, the juror, Lionel Cryer, asserted that what mattered were the holes jurors kept finding in the prosecution case.

Another juror, Brenda Moran, who is also black, said Wednesday that she believed the evidence incriminating Mr. Simpson in the murders of his former wife and a friend of hers had been planted.

"Mr. Simpson was not guilty," Ms. Moran said at a news conference. "It was not proven. I did not have enough evidence to convince me that he was guilty."

Rebuffing suggestions that the jury had rushed to

judgment — taking less than four hours to weigh nearly nine months of testimony — Ms. Moran said jurors had ample time to consider the facts and had no need for lengthy deliberations.

"We had nine months to weigh the evidence so we knew," Ms. Moran said to reporters clamoring for details. "It didn't take us nine more months to figure it out. We're not that ignorant."

For Mr. Cryer, the former Black Panther, who gave his account earlier in an interview, "It was garbage in, garbage out."

"There was a problem with what was being presented" to prosecutors for testing from the Los Angeles Police Department, he said.

"We felt there were a lot of opportunities for either contamination of evidence, samples being mixed or stored together."

That summed up the panel's "whole mode of think-

ing" soon after the 10 women and 2 men — 9 blacks, a Hispanic and 2 whites — entered the deliberations room Monday morning, Mr. Cryer recounted.

As they walked into that room, he continued, the words of Dr. Henry Lee, a noted forensic pathologist whom Mr. Cryer said the jury viewed as "the most credible witness" of all, reverberated in their heads.

According to the juror, Mr. Lee said, "There is something wrong here."

"He had a lot of impact on a lot of people," Mr. Cryer said. "A lot of people were in agreement that there was something wrong" with the prosecution's case.

Most jurors tried to leave the downtown courthouse quickly only to discover that their homes had been staked out by hordes of reporters. Remaining behind to be interviewed was Mr. Cryer, a marketing representative for a telephone company.

He painted a picture of a panel that deliberated for the most part without acrimony or the racial tensions that many feared would tear them apart.

He said the 12 panelists began deliberations ignorant of each other's views about the guilt or innocence of Mr. Simpson.

"A lot of people thought we already had our minds made up," he said. "That was definitely not the case."

The morning began with the court clerk, Deirdre Robertson, rolling in a cart laden with the scores of exhibits that had been paraded before the panel over the last nine months.

Looking at that cart, Mr. Cryer recalled thinking, "This is going to take a long time."

But by 10 A.M., less than an hour after they began, they elected to take a straw vote. The secret ballots, collected in a jar, tallied "10-2, not guilty," he said. He

See JURY, Page 6

NATO Jets, Targeted by Serbs, Strike Missile Sites

But U.S. Envoy Labels Bosnian Truce Plan As 'Serious' Proposal

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — NATO warplanes struck three Serbian surface-to-air missile sites in Bosnia on Wednesday after the missiles' radar systems locked on to the aircraft, a NATO spokesman said.

The incidents marked the first time that NATO planes have been in combat over Bosnia since Sept. 14, just before air strikes against separatist Serbs were halted in exchange for a Serbian pledge to effectively lift the siege of Sarajevo.

There was no word on whether any missiles had been fired by the Serbs or what damage had been done to the missile sites by NATO's planes.

The NATO strikes also came as Bosnian government officials made what a U.S. envoy, Richard C. Holbrooke, described as a "serious" cease-fire proposal.

The diplomat began talks on the proposal in Belgrade with the Serbian president, Slobodan Milosevic, the regional power broker in the Balkans and the chief negotiator for Bosnia's rebel Serbs.

Mirko Pejanovic, an ethnic Serb on Bosnia's collective presidency, said the ruling

Nine elderly Serbs were massacred in a Croatian village, the UN says. Page 7.

body agreed Tuesday that a cease-fire accord should be concluded soon.

"Maybe the cease-fire won't be accepted today, exactly," he said. "The general opinion is, we could expect a cease-fire fairly soon."

Jadranko Prlic, a Croat who is deputy prime minister of the Bosnian government, told the Sarajevo daily newspaper Oslobođenje on Wednesday that resolution of the war may be near.

"I am not being an optimist," he said. "I am just really assessing the situation. In the next few weeks, we will have a definitive solution."

Aleksa Buha, foreign minister in the Serb self-declared state, told the Bosnian Serb news agency that a cease-fire "could be signed on Oct. 20 in Washington." He did not explain the significance of the October date.

NATO planes routinely patrol Bosnian skies to monitor a flight ban against the Serbs. Under the rules of engagement, the aircraft are authorized to attack any radar that locks on to them.

Western military sources said two of the incidents occurred Wednesday morning and the third in the afternoon. Two of the sites were in central or western Bosnia and the third 20 kilometers south of Sarajevo.

Serbian forces have a variety of surface-to-air missiles, including portable and truck-mounted systems, both of which have scored hits against NATO aircraft.

The Russian foreign minister, Andrei V. Kozirev, condemned the NATO strike, saying in Oslo that efforts should focus instead on achieving a cease-fire.

In Washington, Secretary of State Warren M. Christopher, in some of his steepest language on the subject, said that Congress will effectively destroy the North Atlantic Treaty Organization if it blocks the Clinton administration's plans to commit U.S. troops to a NATO-led peacekeeping force in Bosnia. (Reuters, AP, LAT)

'I Haven't Had Chance to Grieve,' Simpson Says of His Former Wife

Reuters

LOS ANGELES — O. J. Simpson professed his love for his former wife Wednesday, a day after a jury acquitted him of killing her.

Experiencing his first full day of freedom after 15 months in jail, Mr. Simpson said in an interview that he needs time to grieve for his former wife, Cable News Network reported.

The former football star was quoted as saying in a phone conversation with a CNN producer that he was happy about his acquittal Tuesday in the June 12, 1994, slayings of Nicole Brown Simpson and her friend, Ronald L. Goldman.

"But I haven't had a chance to grieve," he said. "Yesterday there was a festive mood at the house, but at the same time my kids don't have a mother. People don't seem to understand that I loved that woman."

A family spokesman said Mr. Simpson was "very tired" and was resting at his house in the Brentwood section of Los Angeles. Camera crews and news photographers massed outside with stepladders and telescopic lenses.

"He's just pleased to be sleeping in his

O.J. Simpson's financial prospects are looking good. One of his lawyers says playing the 'race card' was wrong. Page 6.

own bed instead of in a 7-by-9 foot jail cell," Bob Kardashian, his longtime friend, said after an all-night homecoming celebration at Mr. Simpson's estate.

Mr. Simpson was reported to have made contact with his children — 7-year-old Justin and 9-year-old Sydney — and their maternal grandparents hinted that they might yield custody without a fight.

Verdict Exacerbates the Tensions Roiling L.A. and Its Police Force

By Kenneth B. Noble

New York Times Service

LOS ANGELES — Many conflicting forces are likely to have combined in the acquittal of O. J. Simpson, but perhaps none has loomed larger than the role of the Los Angeles Police Department.

Nearly four years after the convulsions, turmoil and fear that followed the beating of the black motorist Rodney G. King, the police are still considered an occupying force in large segments of the community. And the not-guilty verdict in the Simpson trial, many fear, is likely to fortify that view.

While in a narrow sense, the Simpson case was simply about whether the wealthy and charming athlete killed his former wife and her friend, many Angelenos suggested that the jurors ultimately cast their vote on the very fate of this sprawling city's social fabric.

What makes Los Angeles different from, say, New York or Chicago is that since the Rodney King trial, many people — black and white — feel that the issue of race has so tainted the prism through which people view their neighbors that there is no longer any common agreement on the issues that face the city, never mind how to solve them. Suspicion and fear have infected the political climate here like a deadly virus.

Around lunch tables, over barber chairs, in offices and movie studios, in Koreatown restaurants, on the streets of the South Central area, the main questions are these:

Will the verdict of not guilty exacerbate still simmering ethnic and racial tensions? Has anything changed since the convulsions after the Rodney King case? Has the city learned anything from the Simpson verdict?

"A lot of people will pay the price for O. J.'s freedom, because there's no question there will be a backlash," said Susan

NEWS ANALYSIS

Estrich, a law professor at the University of Southern California.

"There will be a tremendous effort to reform the criminal justice system and re-examine things, and the blacks will end up blaming the whites and everyone will blame the police and the system," Ms. Estrich said.

Susan Grigsby Gates, a Los Angeles writer and newspaper columnist, also suggested that the verdict could inflame whites hostile and resentful of blacks. She recalled how she was sitting next to a black man when the Simpson acquittal was announced, and he turned to her and said, "Oh boy, we're going to have to pay for this."

She added, "A lot of the angst surrounding this centers on the fact that nine of the 12 jurors are African-American, and the assumption is going to be drawn from this that they simply let him go."

Nonetheless, the feeling among many blacks here was that the jury had achieved

See POLICE, Page 6



POPE IN AMERICA — John Paul waving to a crowd Wednesday in New Jersey as he began his U.S. visit. Page 3.

Barings Trader to Stand Trial in Singapore

By Richard W. Stevenson

New York Times Service

LONDON — A German court ordered Wednesday that Nicholas Leeson, the trader whose \$1.35 billion in losses brought down the British investment house Barings, be extradited to Singapore to face criminal charges in the collapse.

Rejecting Mr. Leeson's arguments that he would not receive a fair trial in Singapore, where he was based as a derivatives trader for Barings, the regional high court in Frankfurt ruled that he should be sent to the Asian nation to face 11 charges of fraud, forgery and breach of trust.

Further legal maneuvering will probably delay Mr. Leeson's extradition for a month or two at least. He has been in prison since March in Germany, where he was arrested

en route to his native Britain from Southeast Asia six days after Barings collapsed.

Mr. Leeson has admitted that he tried to hide his trading losses and that he misled Barings executives at the firm's headquarters in London as his losses mounted.

But he and his lawyers have sought to have him extradited to Britain instead of Singapore, saying that he could face unduly harsh punishment in Singapore and that the full story of the collapse would come out only if he were tried in London.

Mr. Leeson's German lawyer, Eberhard Kempf, said to reporters in Frankfurt that his client was unhappy with the decision but that "he has to live with it."

Mr. Leeson sought to tempt British prosecutors by hinting that he could implicate senior executives in Barings' downfall, and investigators from the Serious Fraud Office interviewed him at length

this summer. But British prosecutors ultimately decided not to seek his extradition and have not charged anyone in the case.

A group of bondholders who lost a total of \$160 million in Barings' collapse is seeking to start a private criminal prosecution of Mr. Leeson in Britain, a highly unusual legal maneuver. If successful, the private prosecution could lead to Mr. Leeson's being returned to Britain to testify. But the effort is being opposed by British prosecutors and seems likely to fail.

The remnants of Barings were acquired by the Internationale Nederlanden Groep of the Netherlands, which later dismissed 21 executives who had direct or indirect responsibility for the operation in Singapore.

The German government must still approve. See TRADER, Page 4

In the Mists Off Taiwan, a War Is Ending

Quemoy, Fortress Island in the Strait, Cedes to Logic of Business With China

By Patrick E. Tyler

New York Times Service

HUXIA, Taiwan — In the dead of night, especially when there is no moon, the boats from mainland China slip through the mists and into the waters of Quemoy, this fortress island once known to the world as Quemoy and still manned by thousands of Taiwan Army troops.

The intruders quietly leap on to the enemy beaches here and at Matsu Island to the north, working feverishly to disgorge their loads undetected. Then they slip away, back into the night.

In an earlier era, when artillery barrages were a fact of daily life and submarines and frogmen plied the waters on this side

of the Taiwan Strait, it might have been a well-executed commando raid. But these mainlanders were delivering the groceries, part of the large-scale — though still illegal — commerce flourishing between old enemies in this longtime war zone.

Though tensions are rising between China and Taiwan on the big issues of China's sovereignty over what it considers a renegade province and over Taiwan's push to be seated at the United Nations, the war here is over.

Where old enemies have been facing each other for four decades, where China's efforts to retake Quemoy and Matsu brought it to the brink of war with the United States in 1958, an extraordinary thaw is occurring. Old lines of trade are being re-established despite the continuing efforts of Taiwan's government to forbid contact between the residents here and the mainlanders, who are determined to do business.

"If the Chinese military came to this island, it would be to make money, not to make trouble," said Yang Zhongxing, 77, a veteran of the 45-year-old cold war with China.

"No one cares about military or security matters anymore; they just want to make money and raise their children," said Mr. Yang, whose ancestors 18 generations ago settled in this small village on the northwestern tip of Quemoy, now known by its Chinese name as Kinmen.

Recent estimates indicate that 60 percent to 70 percent of the daily produce, fish

and meat sold in the markets here are unloaded from mainland Chinese boats, in trade that is being encouraged by the Chinese authorities.

Even when mainland China this summer fired ballistic missiles and conducted other military exercises to intimidate Taiwan, the locals hardly winced.

"In the old days, when the artillery bombs came almost every day, we would sit down to dinner thinking this might be our last meal," said Huang Qingwen, a 66-year-old noodle maker who was chopping and wrapping his daily production of fine, flour noodles.

"That was a real war," he said. "So why should we be afraid now when there is just some fake war with this testing of missiles?"

For more than four decades, this strategic outpost and the one on Matsu have signified the unfinished civil war that left China and Taiwan divided in 1949, with rival Communist and Nationalist governments, each determined to obliterate the other.

If Asia had a Berlin Wall, it was here. These islands were fortified as a barrier to contain the Communists and to protect the Nationalists, who had joined the Allies in World War II to defeat the Japanese.

General Chiang Kai-shek, the Nationalist leader who fled with most of his troops to the big island of Taiwan, ordered his commanders to hold on to Quemoy and Matsu because they represented strategic staging areas for a Nationalist counteroffensive to retake the mainland.

It was the counteroffensive that was always promised, but never begun.

In the years that followed, a garrison of tens of thousands of Taiwanese troops

See CHINA, Page 4

AGENDA

Algeria Army Chief Said to Be Target

PARIS (Reuters) — A French defense newsletter said Wednesday that the Algerian armed forces chief of staff, General Mohammed Lamari, had escaped assassination three weeks ago when a car bomb failed to detonate as his motorcade drove by.

The newsletter TTU said the remote-controlled device failed to detonate as the general's car passed near the Defense Ministry.

But Muslim fundamentalist guerrillas raked the motorcade with automatic gunfire and the army's quartermaster-general, identified as General Ben Ali, was seriously wounded, it said. Related article, Page 2

Israel Postpones Border Opening

JERUSALEM (AFP) — Israel, which was due to reopen its borders with the Gaza Strip and West Bank at dawn Thursday, has extended the closure of the territories until Sunday, an army spokesman said.

Israel scaled off the autonomous Gaza Strip on Sept. 20 and the West Bank last Wednesday, fearing Palestinian fundamentalist attacks after Israel and the PLO signed an accord extending self-rule in the West Bank.

Dow Jones	Trib Index
Down 9.03	Up 0.53%
4740.67	125.93

The Dollar	Wed. close	previous close
New York	1.4358	1.439
DM	1.5822	1.5835
Pound	101.015	101.475
Yen	4.97	4.958

PAGE TWO Support for Living Buddha

THE AMERICAS The Pope in America

ASIA Confession in Tokyo Attack

EUROPE 'Moment of Truth' in France

INTERNATIONAL Special Training for Bosnians?

Opinion Pages 8, 9. Sports Pages 26, 27. Books Page 9. Crossword Page 27.

International Classified Page 4.

Newsstand Prices	
Andorra.....10.00 FF	Luxembourg...65 L. Fr
Angola.....12.50 FF	Morocco.....14 Dh
Cameroon 1,600 CFA	Qatar.....1,000 Rials
Egypt.....E.P. 5000	Réunion.....12.50 FF
France.....10.00 FF	Saudi Arabia 10.00 R.
Gabon.....1,100 CFA	Senegal.....1,100 CFA
Greece.....350 Dr.	Spain.....225 PTAS
Italy.....2,800 Lire	Tunisia.....1,250 Dt.
Ivory Coast 1,250 CFA	Turkey.....T.L. 50.000
Jordan.....1,250 JD	U.A.E.....10.00 Dirh
Lebanon.....US\$ 1.50	U.S. Mil. (Eur.)...\$1.20

M 0132 - 1005 - 10.00 F



Broad Support for Living Buddha / Political Standoff With Beijing

Waiting for the Dalai Lama in Western China

By Patrick E. Tyler
New York Times Service

LUSHAER, China — On a terraced hillside overlooking the gilded temples of the remote Taer Monastery here in western China, a young monk implored a visitor: "Would you please send me a photograph of the Dalai Lama? We are always waiting for him."

As he spoke, dozens of artisans were putting the finishing touches on an ornate guest residence for the Dalai Lama and the Panchen Lama, who serve as political and spiritual leaders for the Tibetan people.

The problem is that no one can say when these living Buddhas might ever get the opportunity to visit here.

The 14th Dalai Lama has lived in exile since 1959, and the latest reincarnation of the Panchen Lama, the 6-year-old son of a herder, has not been "approved" by the Communist Party leadership in Beijing.

For anyone who travels through western China, it takes very little time to discover the depth of support here for the Dalai Lama in secular and religious matters relating to the 6 million Tibetans who populate the sweeping landscapes of the Qinghai-Tibetan plateau.

"Because the Dalai Lama is the highest figure of authority for our Yellow Hat Sect, all of the believers and we monks worship him," said one of the monks who, moments before, had been chanting from ancient scriptures in the Temple of Longevity, one of the many sacred halls among the labyrinth of courtyards and buildings that can be seen from the terraced hills. "Whatever is decided needs to have his approval."

The monk then rose and moved nimbly around a tiny altar, on which he prepared an offering of lamb, yak butter and candy wrapped in colored foil to the memory of a 17th-century peasant named Luo Qi, who saved the life of the Panchen Lama by carrying him piggyback through the floodwaters of the Yellow River.

Perhaps the most urgent matter for Tibetans lately has been the political standoff with Beijing over the reincarnation of the 11th Panchen Lama. The 10th Panchen Lama died in January 1989, and according to the tenets of Tibetan Buddhism, his soul has migrated to a new host.

In May, the Dalai Lama announced from exile in India that after six years of searching, the 11th coming of the Panchen Lama had been found incarnate in the body of young Gedhun Choekyi Nyima in the Tibetan village of Naggu.

Recognition of the reincarnation "is a religious matter and not political," the Dalai Lama said, adding, "It is my hope that the



A Tibetan monk standing in the courtyard of the Taer Monastery in western China.

Chinese government will extend its understanding, cooperation and assistance."

The proclamation was denounced by the authorities in Beijing, who for the first time since 1949 have an opportunity to select the Panchen Lama and control his upbringing and education. They have attacked the Dalai Lama's "splitist" behavior and "illegal and invalid" act — accusing him of seeking to wreck the unity of the motherland and calling him every name secular leaders dare call a living Buddha without offending the Tibetan masses who worship him as a god-king.

But they have yet to challenge the religious verity of the Dalai Lama's choice: the boy with frost-red cheeks and an impenetrable gaze who faces an uncertain future.

The struggle between the Communists and the Dalai Lama over who has the right to name the Panchen Lama is not just an arcane religious struggle; it is part of the collision of interests over who rules Tibet.

Since fleeing Tibet in 1959, when China crushed the most recent independence uprising, the Dalai Lama, 60, has built an influential worldwide campaign for his return

and greater autonomy for Tibet. The Taer monastery is in a valley 25 kilometers (15 miles) southwest of Xining, capital of Qinghai Province, which was once part of Tibet. The monastery was founded here in 1560 and today supports 560 monks and 11 living Buddhas, ranging in age from 7 to 80.

The 10th Panchen Lama visited the monastery in 1987, and though he was greeted warmly, he was regarded as a collaborator by some Tibetans because he stayed after Chinese troops marched into Lhasa in 1959. He gave legitimacy to the Chinese occupation even as the Dalai Lama fled and fought for Tibetan rights in exile.

But he also struggled for Tibetan interests, petitioning the government to end torture, preserve Tibetan culture and stop the immigration of ethnic Chinese to Tibet. For his efforts, he spent a decade in prison during the 1966-76 Cultural Revolution.

THE MONKS here want any new Panchen Lama to avoid political entanglement with the Chinese government. Politics, another monk said, should be left to the Dalai Lama.

"The Panchen Lama should be a purely religious man and not a political figure," the monk said.

The struggle over naming the reincarnation of the Panchen Lama, if not a crisis yet, could still become one, as Beijing has yet to reveal how it will orchestrate the official steps to recognition.

After the 10th Panchen Lama's death at the age of 50, the search for his reincarnation began. Monks from the Tashilhunpo Monastery, the traditional seat of the Panchen Lama in Xigaze, scoured the countryside for six years, examining candidates and seeking omens.

It now seems likely that as the abbots narrowed the list, word leaked out to the Dalai Lama's exile home in Dharamsala, India. There, his proclamation and recognition of the boy preempted China's secular recognition by the State Council under Prime Minister Li Peng.

"If the Panchen Lama would have been enthroned only with the blessing of the State Council, that would have been a disaster," said Lodi Gyari, the Dalai Lama's representative in Washington.

COMING UP
Vietnam's ambassador in Washington is an accomplished pickman who toils at building an untroubled transition in diplomatic ties.

A Goddess Rises From the Seabed
A Search in Egypt Yields Archaeological Treasure

Reuters

ALEXANDRIA, Egypt — French archaeologists on Wednesday raised a piece of Greco-Roman statuary that had been underwater for 1,500 years in the climax of a year of exploration of the site of the ancient Pharos lighthouse of Alexandria.

After three hours of wrestling with high swells and swinging cables, French and Egyptian divers maneuvered the red granite torso of a young woman onto the hook of a crane, which then deposited it at the feet of the Egyptian culture minister, Farouk Hosni.

A crowd of hundreds clapped and cheered from the quayside. The archaeologists plan to raise 30 more pieces from the seabed, including what they say are two granite blocks from the Pharos itself, one of the seven wonders of the world until the remains of it succumbed to an earthquake in the 14th century.

The Pharos, a monumental lighthouse built around 280 B.C. that was about 100 meters (330 feet) high, lit the entrance to Alexandria harbor for centuries, but archaeologists had never been able to positively identify any of the fragments.

"Before, we had only some representations of the Pharos in mosaics, in paintings and on glass. Now we have pieces of the lighthouse itself," said Jean-Yves Empereur, the French director of the Mission Archéologique Sous-Marine. He said the piece of statue raised

Wednesday was probably a goddess or queen but it was difficult to identify it further at this stage. She appeared to be bare-breasted but faint lines may delineate a tight-fitting tunic.

The other pieces chosen for retrieval include statues of sphinxes, bases and capitals of columns, sections of obelisks, inscribed blocks and a statue of the goddess Isis who had a temple in the area. Greek rulers brought some of them from the much older city of Heliopolis near modern Cairo.

Abdel Halim Nour, chairman of Egypt's antiquities council, said the pieces probably ended up six meters under water by natural subsidence. Another theory is that they were dumped in the harbor as rubble.

Mr. Empereur said there were no plans to retrieve the large granite blocks, some of which weigh 75 tons, despite their possible importance in studies of the lighthouse.

Meanwhile, a dispute is raging about over whether the site should be turned into an underwater archaeological park.

Mr. Empereur, Honor Frost, a marine archaeologist, and some academics favor the idea. But Mr. Nour wants to resume work strengthening the foundations of the 15th century Mamelouk fortress that now stands on the site of the Pharos.

"Egypt has lots of sphinxes on land. The sensation would be to have sphinxes playing with fishes and fishes playing with sphinxes," Mr. Empereur said.

TRAVEL UPDATE

More Tourists Flock to Britain

LONDON (Reuters) — The number of overseas visitors to Britain rose 11 percent, to 12.9 million, in the first seven months of 1995, the British Tourist Authority said Wednesday.

But the authority said Britain needed to continue to work to build its tourist industry to erase the losses it suffered in the 1980s and early '90s.

"We lost market share during the late 1980s and early 1990s and now need to claw that back by targeting new markets such as Asia, which is growing at three times the world average, and by improving our competitive position versus other European destinations," said Anthony Sell, the authority's chief executive.

Spending by overseas visitors in the first seven months of 1995 rose 15 percent, to six billion pounds (\$9.6 billion), from the same period in 1994.

The number of North American visitors rose 7 percent, to 2.2 million, in the first seven months of 1995, while the number of Western European visitors rose 9 percent, to 8 million, and visitors from the rest of the world rose 20 percent, to 2.6 million, the tourist authority reported.

In the month of July the International Passenger Survey showed that spending by overseas visitors rose 14 percent, to £1.3 billion (\$2.07 billion), and the number of visits rose 11 percent, to 2.6 million, compared with July 1994.

Motorists may be able to travel on French highways for nothing Friday after unions representing 11,000 highway workers, including those who man toll-booths, issued a 24-hour strike call. Six unions called the strike Wednesday to support a demand that their wages be increased by 3 percent. (AFP)

Tourists were urged by the Italian authorities on Wednesday to stay away from the top of Mount Etna in Sicily after fumes and small lava flows were seen coming from the summit. Mount Etna is the highest active volcano in Europe. (Reuters)

The new anti-smoking law in Kuwait was relaxed Wednesday to allow smokers to puff at cigarettes in their own cars. The ban had been widely criticized as unconstitutional, a Health Ministry official said. As a result, the ministry suspended its enforcement for three months and opened a campaign of awareness to explain why smoking in such an enclosed environment is dangerous. In addition to the possible damage to personal health, some smokers are accustomed to flicking cigarette butts out of car windows, causing fires, the ministry said. (AP)

The German airline Lufthansa said it will start its first joint flights with Thai Airways International at the end of October. Lufthansa and Thai Airways will operate joint flights under a single flight number — a result of their code-sharing agreement signed last year — to Chiang Mai, Phuket, Phnom Penh, Yangon and Auckland. The airlines will also operate seven each of 14 flights a week to Bangkok from Frankfurt as well as two weekly flights to Bangkok from Munich. (Reuters)

5 Candidates Qualify For Ballot in Algeria

By Youssef M. Ibrahim
New York Times Service

PARIS — Although Islamic militants have threatened to kill anyone who goes to the polls for Algeria's presidential election, the country's government has announced the names of the five nominees who will be on the Nov. 16 ballot.

The five who received the number of signatures required to qualify include Sheikh Mahfoud Nahnah, a moderate Islamic activist who could pose a challenge to the president, General Liamine Zerroul.

Mr. Nahnah is the head of Hamas, which has been tolerated by the government because of the sheik's consistent advocacy of "modern and tolerant" Islamic rule and his denunciation of violence by fundamentalists as well as government security forces.

Some opinion polls indicate that Mr. Nahnah is supported by 20 to 25 percent of the voters, which means that it may be possible for him to force a second round of voting against Mr. Zerroul, some analysts said.

Two armed factions, the Armed Islamic Group and the Islamic Salvation Army, have vowed to bomb and attack election centers, and threatened that those who try to vote might be killed.

The broad campaign of violence by the armed Islamic factions began in 1992 after the military government canceled the second round of national legislative elections when it appeared that the Islamic Salva-

tion Front would win control of Parliament.

The government responded with repression and violence of its own, outlawing the party and rounding up its opposition figures by the thousands. The armed Islamists and the government security forces have not stopped fighting since.

Aside from the sheik, the other presidential candidates are known as open advocates of the army's drive to eliminate all Islamic opposition by force. Besides Mr. Zerroul, they are Redah Malek, a former prime minister; Saeed Saadi, the head of the Assembly for Democracy and Culture, and Noureddin Boukrouh, the head of the Algerian Renewal party.

Iran Imprisons 3 Women For Murders of 2 Pastors

Reuters

TEHRAN — An Iranian court has imprisoned one woman for 30 years and two women for 20 years for killing two Christian pastors and attempting to bomb Muslim shrines in Iran, Tehran radio reported Wednesday.

It quoted the court president, Gholamhossein Rahbarpour, as saying that Farahnaz Anvari, a 31-year-old business student and employee of the National Iranian Oil Co., was sentenced to 30 years for the murders of the pastors, Tareos Michaelian

Belgium Appeals Arabs' Acquittal

Agence France-Presse

BRUSSELS — A Belgian prosecutor has lodged an appeal against the acquittal of Ahmed Zaoui, the presumed leader of an Algerian extremist network in Europe, a spokesman for the prosecutor said Wednesday.

The court on Tuesday acquitted Mr. Zaoui, 34, who had gone on trial with 11 other suspected members of the Armed Islamic Group, one of the most radical of the Algerian guerrilla movements.

The prosecution also appealed the acquittals of Mohammed Kassouli, Ahmed Benkiria, Omar Ouallah and a three-month jail sentence for Mohammed Abdallah Nasr.

The group was suspected of being linked to a wave of terrorist bombings in France.

Concord Pupillon Collection. Women's watches in solid 18K gold or stainless steel and 18K gold. Elegant mother of pearl, diamond, pearl and lacquer dials. Additional jeweled and gold-plated butterfly ornaments available separately. Swiss quartz. Water-resistant.

CONCORD®
Watchmakers Since 1935
SWISS

Asprey Campden Ltd
London, Great Britain
+44 (0) 1753 60 30 70
Nashua, New Hampshire
+1 603 882 1811

To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator. It's that easy.

THE EASIEST WAY TO GET BACK HOME WITHOUT RUBY SLIPPERS.

011 854 1133-1234
800-854-1133
800-854-1133

COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS	COUNTRIES	ACCESS NUMBERS
Algeria	800-1000	Costa Rica	99-385-0113	Guatemala	1-800-25-2581	Malaysia	172-1877
Argentina	1-800-366-4663	Croatia	080-900-01	Honduras	172-1877	Mexico	800-1987
Australia	001-800-777-1111	Czech Republic	0045-087-187	India	172-1877	Nicaragua	115
Austria	8-10-155	Denmark	800-1-0877	Indonesia	114-6177	Peru	176
Bahamas	1-800-551-10	Dominican Republic	800-1-0877	Israel	999-371	Philippines	105-011
Banladesh	1-800-881-877	Ecuador	999-371	Japan	236-4777	Poland	105-411
Belgium	022-903-014	El Salvador	101	Kenya	004-800-100-3	Portugal	105-46
Bolivia	1-800-289-2111	France	19-0082	Korea (South)	9800-1-9284	Romania	00184-800-113
Brazil	800-777	Germany	19-0082	Laos	9800-1-9284	Saudi Arabia	050173-877
Bulgaria	1-800-877-8000	Greece	0130-0013	Lebanon	155-7777	Spain	1-800-877-8000
Canada	0800-10014	Hungary	008-001-111	Lithuania	8-0-187	Sweden	188-4133
Chile	1-800-073-0877	India	750-1366	Luxembourg	800-0115	Switzerland	8095-155-6133
China	080-3233	Indonesia	105	Macao	800-121	Taiwan	283-0250
Colombia	080-8016	Italy	121	Malaysia	800-0016	Thailand	0080-14-0877
Costa Rica	1-800-877-8000	Japan	800-1877	Marshall Islands	95-800-877-8000	Turkey	00-90-13-877
Cuba	00-8016	Korea (North)	011	Mexico	19-0082	U.S. Virgin Islands	1-800-877-8000
Czech Republic	1-800-366-4663	Laos	004-800-01-877	Nicaragua	004-800-01-877	Uruguay	8-100-13
Dominican Republic	800-777	Lebanon	800-003	Peru	176	Uzbekistan	8-100-13
Ecuador	022-903-014	Malaysia	800-121	Philippines	105-011	U.S. Virgin Islands	1-800-877-8000
El Salvador	1-800-881-877	Marshall Islands	95-800-877-8000	Poland	105-411	Uruguay	8-100-13
France	19-0082	Mexico	19-0082	Portugal	105-46	Uzbekistan	8-100-13
Germany	19-0082	Nicaragua	004-800-01-877	Romania	00184-800-113	U.S. Virgin Islands	1-800-877-8000
Greece	0130-0013	Peru	176	Saudi Arabia	050173-877	Uruguay	8-100-13
Hungary	008-001-111	Philippines	105-011	Spain	1-800-877-8000	Uzbekistan	8-100-13
India	750-1366	Poland	105-411	Sweden	188-4133	U.S. Virgin Islands	1-800-877-8000
Indonesia	105	Portugal	105-46	Switzerland	8095-155-6133	U.S. Virgin Islands	1-800-877-8000
Italy	121	Romania	00184-800-113	Taiwan	0080-14-0877	U.S. Virgin Islands	1-800-877-8000
Japan	800-1877	Saudi Arabia	050173-877	Thailand	00-90-13-877	U.S. Virgin Islands	1-800-877-8000
Korea (South)	011	Spain	1-800-877-8000	Turkey	00-90-13-877	U.S. Virgin Islands	1-800-877-8000
Laos	004-800-01-877	Sweden	188-4133	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Lebanon	800-003	Switzerland	8095-155-6133	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Malaysia	800-121	Taiwan	0080-14-0877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Marshall Islands	95-800-877-8000	Thailand	00-90-13-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Mexico	19-0082	Turkey	00-90-13-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Moldova	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Monaco	800-003	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Morocco	001-800-745-1111	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Mozambique	002-000-0000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Nicaragua	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Netherlands	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Netherlands Antilles	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
New Zealand	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Norway	004-800-01-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Poland	105-411	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Portugal	105-46	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Romania	00184-800-113	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Saudi Arabia	050173-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Spain	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Sweden	188-4133	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Switzerland	8095-155-6133	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Taiwan	0080-14-0877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000
Thailand	00-90-13-877	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-8000	U.S. Virgin Islands	1-800-877-800

THE AMERICAS

U.S. Catholics Revere the Pope but Not His Teachings

By Laurie Goodstein
and Richard Morin
Washington Post Service

WASHINGTON — A majority of Catholics in the United States believe the church is out of touch with their views, and a growing majority say their positions on religious and moral issues are better represented by local church officials than by Pope John Paul II, according to a Washington Post-ABC News poll.

Nevertheless, an overwhelming majority of Catholics say they approve of the way the Pope is leading the church. Their attitudes are a reflection of the enormous personal popularity cultivated over the years by the charismatic prelate who has reached out to his flock through mass marketed books and tapes, broadcasts and whirlwind tours like the one that started Wednesday in Newark, New Jersey.

The survey reveals an increasingly apparent contradiction in American Catholic life: While Pope John Paul II is highly revered, his teachings are not.

Large majorities of American Catholics said they believe it is possible to disregard the church's teachings on abortion, pre-marital sex, birth control and divorce, and still be "a good Catholic." Majorities also favor ordaining women and married men as priests, despite the Pope's forceful reiteration that church policy will not change.

"I call it the 'Italianization of the

American Catholic Church' — the way that local Italians have for centuries related to the papacy," said the Reverend Richard McBrien, a theologian at Notre Dame and editor of the HarperCollins Encyclopedia of Catholicism.

"When the Pope passes, you cheer," he said, "but you go home and do whatever you feel you have to do."

To American Catholics, the Pope is "a reminder that we belong to something that is bigger than us," Father McBrien said. "But the reason why so many Americans think the Pope is doing a great job is because the Pope doesn't in any way interfere with or affect their own personal lives."

According to the survey, 82 percent of those who described themselves as Catholics said they approved of Pope John Paul's stewardship of the church, 15 percent said they disapproved and the remainder had no opinion. Forty-four percent said they strongly approved, while 38 percent said they only somewhat approved of the job the Pope is doing.

But nearly 6 in 10 Catholics interviewed — 58 percent — believed that the Catholic church was "out of touch" with the views of Catholics in America, while 39 percent disagreed.

"We can't go on having every Catholic family having 11, 14 kids," said Charlotte Malecki, 66, of Manassas, Virginia, who feels the church's strict stance on birth control is obsolete.

John Paul Arrives in Newark

Compiled by Our Staff From Dispatches

NEWARK, New Jersey — Pope John Paul II arrived for a five-day visit to the United States on Wednesday, saying he came as a pilgrim of peace and urging America to be a beacon of freedom and opportunity to the world.

In an address after arriving on a gray, rainy afternoon at Newark airport, the Pope said that the fall of communism in 1989 gave the world new opportunities for justice and

freedom but that ancient rivalries were threatening peace.

"For nations and peoples emerging from a long period of trial, your country stands upon the world scene as a model of a democratic society at an advanced stage of development."

"Your power of example carries with it heavy responsibilities. Use it well, America."

The Pope will deliver a major address to the United Nations on Thursday. (Reuters, AP)

"I don't know why they are so strict on that particular thing, seeing how the world is changing and how many children are suffering because of it." She believes the church should allow abortion for victims of rape and incest.

The survey also found that a growing majority of Catholics feel that their views on religious and moral questions are closer to those of their local church leaders than to those of the Pope.

Those responses suggest a growing ideological distance between the Pope and Catholics in the United States. Two years ago, only half of the Catholics interviewed — 51 percent — said local church leaders better represented their

views on church issues, while 35 percent felt closer to the Pope.

"The Pope has a job to do, and that is to promulgate and protect the message of the truth of Catholic tradition in a universal way," said James Davidson, a sociologist of religion at Purdue University in Indiana.

"The local priests, sisters and church leaders have to deal with the laity on a day-by-day basis and have always tended to be more willing to translate or interpret those universal teachings in the most human and compassionate way they can, which means that they sometimes will either disregard or interpret the teachings in ways that

the Pope might not agree with."

The survey results reflect the debate within the Catholic Church here and abroad about how far to go to democratize, decentralize and modernize the church.

The poll of 414 self-described Catholics was conducted on Sept. 28 and 29. The margin of error is plus or minus 5 percentage points.

By overwhelming margins, Catholics interviewed rejected many traditional notions of what it means to be a good Catholic. According to the poll:

• 93 percent said that someone who is using birth control could still be a good Catholic.

• 85 percent said someone who gets a divorce and remarries without church approval could still be a good Catholic.

• 69 percent said a woman who obtained an abortion "for reasons other than her life being in danger" can still be a good Catholic.

• 83 percent said someone having sexual relations before marriage could still be a good Catholic.

Catholics divided sharply when asked whether practicing homosexuals could still be good Catholics, with 51 percent saying they could and 45 percent disagreeing. And by a 3-to-1 ratio (74 percent to 25 percent), Catholics said married people having sex outside of marriage could not be good Catholics.

POLITICAL NOTES

FBI Takes TV Station's Records

WASHINGTON — FBI agents assigned to the independent counsel investigating Commerce Secretary Ronald H. Brown searched the offices here of WFTV-TV, Channel 50, this week and hauled away boxes of documents about the business dealings of Mr. Brown's former business partner, Noland S. Hill, according to station employees who did not want to be identified.

Agents armed with search warrants also obtained other documents from the Maryland home of Kenneth W. White, a former Channel 50 vice president and a longtime business associate of Mr. Hill, sources reported.

The searches were the first public action by the independent counsel, Daniel S. Pearson, a former Florida judge, since he was appointed in July to investigate Mr. Brown's personal finances, including whether he violated federal financial disclosure laws by filing inaccurate reports of his business relationship with Mr. Hill, the former owner of Channel 50. (WP)

A Show of Power From Clinton

WASHINGTON — In an act that carries more political symbolism than practical effect, President Bill Clinton vetoed a bill that pays for Congress' administrative expenses. He said he would not approve the lawmakers' budget while the other spending measures needed to pay for the federal government were "incomplete, unresolved and uncertain."

Mr. Clinton's rejection of the \$2.2 billion measure made good on a threat he issued over the summer, when he said, "I don't think Congress should take care of its own business before it takes care of the people's business." It was only his third veto since taking office.

The White House spokesman, Michael McCurry, suggested Tuesday that the veto would put more pressure on lawmakers to pick up their pace on the remaining spending bills. But Republicans were quick to call the president's gesture hollow political theater.

They noted that a veto would have no immediate effect since Mr. Clinton had already signed into law a compromise stopgap spending measure to pay for the government, congressional staff salaries included, for six weeks. (NTT)

President's Poll Ratings Improve

WASHINGTON — President Bill Clinton's standing in national surveys is improving as the debate between Republicans and Democrats over social programs intensifies, and retired General Colin L. Powell remains a strong wild card as a potential addition to the 1996 presidential race.

Two new polls show that Mr. Clinton has widened his lead over the Republican presidential front-runner, Bob Dole, the Senate majority leader, while the president and General Powell run closely together ahead of Mr. Dole in a hypothetical three-way matchup with General Powell.

A Harris Poll conducted Sept. 28 to Oct. 1 among 1,005 adults found that when asked whom they would back if the election were today, 42 percent said Mr. Clinton and 30 percent said Mr. Dole in a two-way race. A month ago, Mr. Clinton led Mr. Dole by only 39 to 37 percent. (AP)

Quote / Unquote

Representative Bobby L. Rush, an Illinois Democrat, criticizing the Republican leadership for being "bloodsuckers" and "vampires" for proposing deep cuts in medical care programs: "The bloodsuckers in this Congress are led by Count Dracula," he said, apparently referring to the House speaker, Newt Gingrich. (WP)

Away From Politics

• An R.J. Reynolds Tobacco executive proposed as early as the 1970s that the firm market cigarettes to underage smokers and even suggested that teen rebellion might make the risks of smoking more attractive. (WP)

• A hurricane thrashed the Florida Panhandle with gusts up to 144 mph Wednesday, flooding homes, knocking down piers along the beaches and sending tens of thousands of people fleeing. At least one person was killed. (AP)

• Amnesty International urged the United States to abolish the death penalty, calling it "a symptom of a violent society, not a cure." (Reuters)

Doctors' Group Expresses Doubts On Planned Medicare Redesign

By Robert Pear
New York Times Service

WASHINGTON — After months of public silence, the American Medical Association expressed deep concern about Republican proposals to redesign Medicare, saying that new limits on payments would make the program unattractive to many doctors.

James H. Stacey, a spokesman for the association, said that doctors in the standard Medicare program were facing not just a cut in the growth of Medicare payments, but an absolute reduction in payment for many services under the Republican plan.

"This causes real problems

for the AMA," Mr. Stacey said in response to a question. "It would be a major blow to the traditional fee-for-service Medicare program."

The doctors' concerns echo comments from the Clinton administration and Democrats in Congress, who say the Republicans would cut payments to doctors so severely that many doctors would decide not to treat Medicare patients. As a result, they say, patients would be forced to obtain care through health maintenance organizations and other private health plans, even though the Republicans insist that beneficiaries will always be free to keep traditional Medicare coverage.

Until Tuesday, the American

Medical Association had generally refrained from criticizing the Republican proposals on Medicare.

By contrast, in the battle over President Bill Clinton's health care plan in 1993 and 1994, the association regularly made itself heard. It supported Mr. Clinton's goal of guaranteeing health insurance coverage for all Americans, and it initially supported his proposal that all employers be required to buy such insurance for their employees.

The association later urged Congress to consider alternatives to the "employer mandate." Many doctors said Mr. Clinton's plan envisioned too big a role for government.

Toughest Game So Far Boosts Kasparov's Lead

The Associated Press

NEW YORK — It was the hardest-fought battle of the chess match.

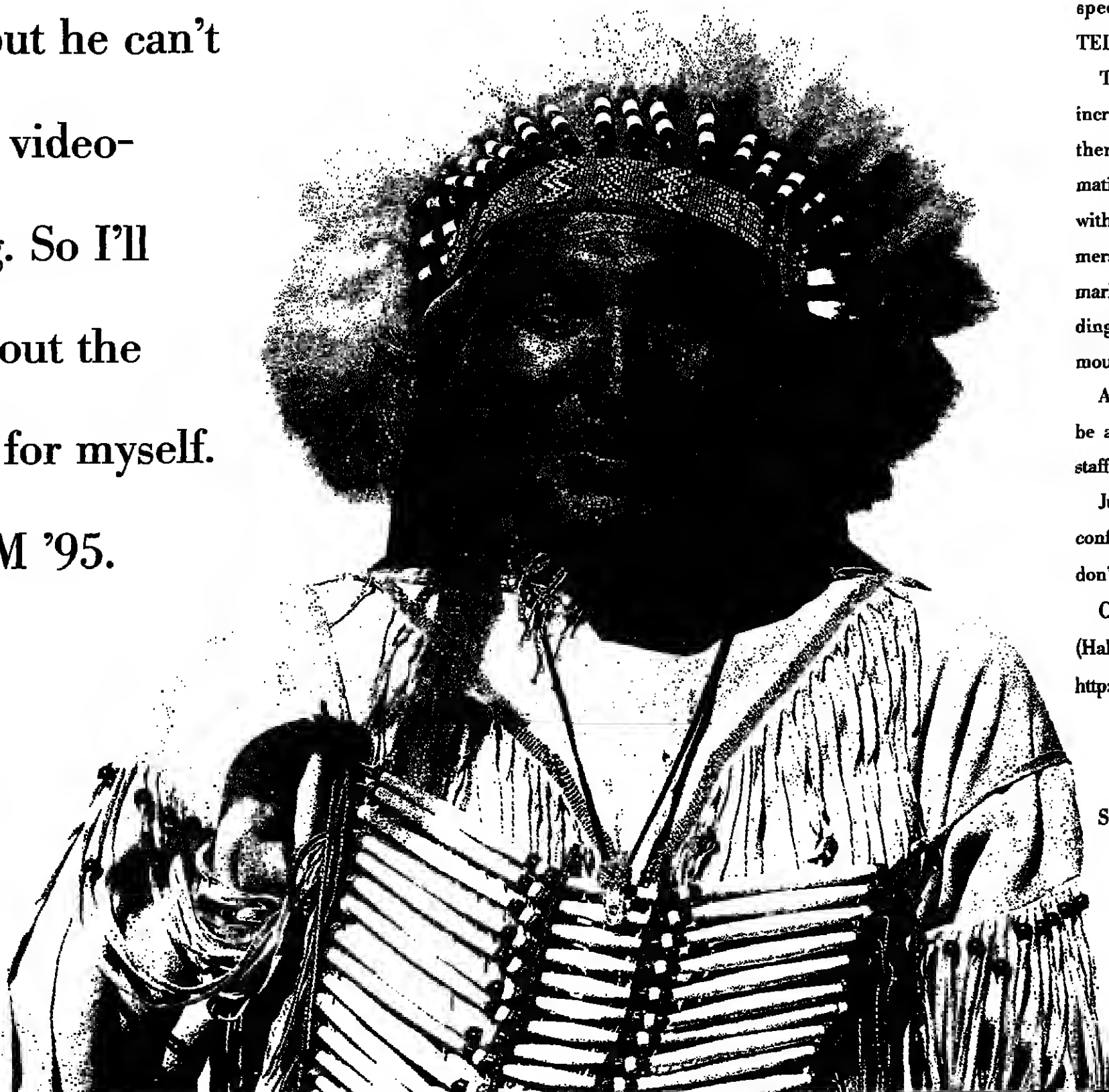
Viswanathan Anand, playing black, gained a big opening advantage — only to be defeated by Garry Kasparov in a wildly complicated position with both players short of time.

Mr. Kasparov's victory in the 14th game of the Professional Chess Association world championship means he leads the match, 8.5-5.5 points.

GAME 14 — CENTER COUNTER

White Kasp.	Black Anand	White Kasp.	Black Anand	White Kasp.	Black Anand	White Kasp.	Black Anand
1. e4	d5	12. Bx2	h5	23. a5	Bf8	34. Qxg4	Qxg4
2. d4	Qxd5	13. Bx3	Rd8	24. cd	cd	35. Rxf4	Nd6
3. Nc3	Qa5	14. Bg1	0-0	25. Bf4	Nd6	36. Bf2	Nb5
4. d4	Nf6	15. Bf3	Nd5	26. a6	b6	37. Rf7	Re4
5. Nf3	c6	16. Nxd5	ed	27. Ne5	Oe6	38. f5	Rxf4
6. Ne5	Bc6	17. Bf2	Oc7	28. g4	tg	39. Nfg4	Rc5
7. Bd3	Nbd7	18. Rc1	16	29. Nfg4	Bg7	40. Rd7	Rc2
8. f4	g6	19. Nd3	Rf8	30. Rc7	Ne4	41. Rxd5	Resigns
9. 0-0	Bg7	20. b3	Nb6	31. Ne3	Bh3		
10. Kf1	Bf5	21. a4	Nc5	32. Rf1	g5		
11. Bc4	e6	22. c4	Oi7	33. Bg4	Bxg4		

The Great Spirit guides my people, but he can't advise about video-conferencing. So I'll be checking out the new systems for myself. At TELECOM '95.



This October, in Geneva, IBM will be putting on some spectacular presentations at TELECOM '95.

They will take the form of six incredible displays, bringing together live presentations and dramatic technology demonstrations with our experts as the performers. They'll cover topics from marketing on the net to downloading video from the top of a mountain.

And, equally importantly, you'll be able to discuss them with our staff at our exhibition stand.

Just because we're into video-conferencing, it doesn't mean we don't want to meet you in the flesh.

Come and see us at Palexpo (Hall 4) or check our Web page on <http://www.ibm.com/telecom95/>

IBM

Solutions for a small planet

EUROPE

Judge Calls Trial Off, Blaming Tabloids

LONDON — A British judge abandoned a trial before it began Wednesday because of what he called unlawful, misleading and scandalous reporting by Britain's tabloid newspapers.

The judge warned newspaper editors he planned to ask the attorney general to consider whether contempt of court charges should be brought.

"They are in peril of far greater penalties than I can impose," Judge Roger Sanders said, referring to members of the press.

Geoffrey Knights, the companion of Gillian Telford, a star of the "Eastenders" television soap opera, was to face a jury at Harrow, north of London, on charges that he had attacked her driver.

Mr. Knights had been charged with wounding and assault.

But Judge Sanders said he agreed with Mr. Knights' lawyers that their client could not face a fair trial due to "unlawful, misleading and scandalous" publicity surrounding the case.

"No fair-minded member of any jury could say that he or she had not been influenced by what he or she had read unfairly in the newspapers," a defense lawyer, Julian Lee, said.

The judge said in a highly critical eight-page judgment that the media were responsible for a "grave abuse of process."

After Mr. Knights was charged with alleged assault, the media were not silent, as the law required, the judge continued.

"I have absolutely no doubt that the mass of media publicity in this case was unfair, outrageous and oppressive," he charged.

He named a number of tabloid newspapers, as well as two journalists, saying that some seemed to have conducted a "hate campaign" against Mr. Knights.



Mr. Juppé, right, leaving the weekly cabinet meeting on Wednesday with Technology Minister François Fillon.

'A Moment of Truth' Is Here For Economy, Juppé Warns

Compiled by Our Staff From Dispatches
PARIS — Prime Minister Alain Juppé said Wednesday that France must mend its economy before it joins a system for a single European currency or it will lag behind with poorer European countries.

If France fails to improve its economy before it joins the common currency in 1999, as scheduled, "We'll drop out of the leading pack and be among the weak-currency countries," Mr. Juppé told the National Assembly. "It's the moment of truth."

The prime minister's warning came as President Jacques Chirac prescribed a drastic overhaul of France's heavily indebted welfare system, which is 50 years old this year and has a record deficit of more than 60 billion francs (\$12 billion).

To achieve the targets of European monetary union in 1999, the government wants to alter welfare coverage that is funded mainly by a tax on employers and employees but dismissed by many economists as "a tax on jobs."

Under a plan agreed to in 1991, European Union nations are supposed to adopt a common currency to replace francs, marks, lire and the other national currencies.

To get their economies in line before the currency merger, countries must meet a series of tight financial conditions, including low inflation and interest rates, narrow budget deficits, modest national debts and stable exchange rates.

Mr. Juppé said France could

not now meet those rules.

"Our public finances are in a state of peril," he said, blaming deficits run up by Socialist governments from 1989 to 1992.

German officials said last month that other countries expected to form the core of the currency union will not be able to meet the targets on time.

These countries included Italy, France, Belgium and the Netherlands.

France has a huge budget deficit, 11.5 percent unemployment and costly commitments to social-welfare programs.

Mr. Chirac paid warm tribute to his mentor and the welfare system's father, General

Charles de Gaulle, praising the welfare state as expressing France's "national genius."

But he tempered this with a warning: "In future everyone must contribute according to his income, whatever its origin and nature."

"To be in good health, people need to spend better, not spend more," Mr. Chirac said.

But he was careful not to go beyond general guidelines.

Any crackdown on spending for medical reimbursements was widely seen as likely to pit the government against doctors, hospital workers and the pharmaceutical industry.

(AP, Reuters)

Mercenary Set to Cede To French in Comoros

Agence France-Presse

PARIS — The French mercenary Bob Denard, whose forces were overwhelmed by French troops in the island state of Comoros on Wednesday, said on French television that he would surrender quietly.

Interviewed live from his coup headquarters on the islands by French television, Mr. Denard said he would surrender to the French forces on Thursday.

He added that the first part of the surrender had already taken place Wednesday, with the liberation of President Said Mohammed Djohar, who had been

held since the coup began last Thursday.

The first phase has "gone very smoothly," Mr. Denard said on television.

"The second phase will also go smoothly, calmly and avoiding any mistakes," he added.

Six hundred French commandos stormed the Comoros Islands on Wednesday and put down a coup mounted by Mr. Denard, who led a group of mercenaries, after a day of fierce fighting.

Mr. Denard, 66, has fought in African civil wars for three decades and has a long association with the Comoros.

BRIEFLY EUROPE

Berlusconi Prosecution Sought

MILAN — The Milan prosecutor's office on Wednesday called for Silvio Berlusconi, Italy's former prime minister and media magnate, to be tried on corruption-related charges, judicial sources here said.

According to prosecutors, between 1989 and 1992, three firms belonging to Mr. Berlusconi's Fininvest media group and the Telepiù subscriber television channel — in which Fininvest owns a 10 percent stake — unlawfully paid some 355 million lire (\$200,000) in bribes to avert tax controls.

Mr. Berlusconi, who was prime minister from May to December last year, has said that he knew nothing about the payments and that if bribes were paid, they were required by dishonest policemen.

(AFP)

New Newspaper to Focus on EU

BRUSSELS — Thousands of European Union officials and interested onlookers will get something new to read on Thursday when a new weekly newspaper about the Union rolls off the presses.

The first issue of European Voice, published by Britain's Economist Group, is due to reach subscribers toward the end of the day and to appear on newsstands in all 15 EU capitals on Friday morning.

The newspaper — which describes itself as "A weekly view of the Union for the Union" — is loosely styled after Roll Call, The Economist Group's biweekly U.S. newspaper aimed at the U.S. Congress and Washington lobbyists.

(Reuters)

Labor Rejects a Marxist Clause

BRIGHTON, England — Underlining its move to the center drive to oust the Conservative government, the Labor Party overwhelmingly defeated on Wednesday a left-wing attempt to restore a Marxist-style clause to its constitution.

Delegates at the annual conference of the opposition party rejected by a margin of nearly 9 to 1 a proposal to reinstate the clause calling for public ownership of the means of production.

(AP)

Italian Senate Aims to Keep Dini

ROME — Italy's Senate passed a motion on Wednesday on reforms that Prime Minister Lamberto Dini's government must push through before the next election.

The motion, put forward by the center-left majority, aims at keeping Mr. Dini in power by listing numerous reforms that have to be implemented, particularly on decentralization, before general elections can be held.

Before the vote, Mr. Dini said he backed the motion's goals.

The elections are expected in June 1996.

(AFP)

Turkish Workers Continue Strike

ANKARA — A Turkish union spearheading a huge two-week-old public workers' strike said on Wednesday it had rejected a government pay offer and would continue the walkout.

Yildirim Koc, a senior official in the Turk-Is union confederation, said government ministers had made an unspecified pay offer. Prime Minister Tansu Ciller's government had proposed an annual pay increase of 5.4 percent, far below the union's demands of increases more in line with inflation, expected to be 70 percent for 1995.

(Reuters)

Calendar

European Union events scheduled for Thursday:

LUXEMBOURG: The Energy and Small Businesses commissioner, Cristos Papadimitriou, addresses the 232d session of the Consultative Committee of the Coal and Steel Community on the community energy policy.

BRUSSELS: The Industry and Information Technology commissioner, Martin Bangemann, meets China's Trade and Industry minister, Wu Yi.

DUBLIN: Research and Development Commissioner Edith Cresson attends the start of the Socrates program for university exchanges in Ireland and meets President Mary Robinson of Ireland.

BRUSSELS: Emma Bonino, the consumer affairs commissioner, and Karl van Miert, the competition commissioner, meet with Ernesto Pascalle, a delegate from the Societe de Telephone Publique Italienne.

Sources: Agence Europe, AFP

Catalans Warn Gonzalez on Vote

Reuters

MADRID — The leader of Spain's Catalan nationalists, who hold the balance of power in Parliament, said Wednesday that he would back a motion of censure against the Socialist government if elections are not held by March 24.

"If the Socialists try to delay the elections, we will present a motion of censure or support any other group that does so," Jordi Pujol, leader of Convergence and Union, said in a

radio interview. His party withdrew support from the Socialists last month, leaving Prime Minister Felipe Gonzalez in a minority. It said it would block the 1996 budget but has so far stopped short of backing a censure motion. With the Catalan nationalists' 17 votes and 18 from the United Left coalition, which has already expressed itself in favor of the opposition Popular Party could win such a motion. Mr. Gonzalez has refused to hold elections this year.

Chernomyrdin Denies Plan to Succeed Yeltsin

Reuters

MOSCOW — Prime Minister Viktor S. Chernomyrdin declared Wednesday that he had no plans to run for the presidency and denied press reports of strains in his relations with President Boris N. Yeltsin.

Mr. Chernomyrdin was quoted by the Itar-Tass news agency as saying, "I have not planned, and am not planning, to present my own candidacy for the elections for president of the country next year."

Mr. Chernomyrdin, 57, who after his statement left on a visit to Canada, has been in office since the end of 1992. He has widely been seen as a potential front-runner if he ran in the election for head of state due in June next year.

But it has always been assumed that he would not oppose Mr. Yeltsin, seen as his political patron, if the Russian president decided to seek a second term.

At the same time, Mr. Chernomyrdin's statement did not rule out a change of heart at a later date.

Mr. Chernomyrdin's national standing rose sharply last June when — with Mr. Yeltsin

abroad — he took personal charge of negotiations to win the release of Russian hostages held by Chechen guerrillas.

He went on to oust a hostile lower house of Parliament, which sought to make political capital from the hostage seizure in southern Russia, and survived a vote of no-confidence in his government.

But relations with Mr. Yeltsin seem to have cooled in recent weeks, with the Russian president making some offhand remarks about the government at a news conference on Sept. 8 before he began a vacation.

Mr. Chernomyrdin subsequently failed to meet Mr. Yeltsin during the three-week break, though many other top officials did so, prompting speculation of a rift.

Mr. Chernomyrdin, in his comments Wednesday, denied reports of strains in relations with the Kremlin chief.

"Someone is trying to start stories going about alleged disagreement between the president and the prime minister," he said. "Nothing has come between us and nothing will come between us."

MORE IS LESS.

via the

International Herald Tribune

MORE NEWS, VIEWS AND FEATURES FROM AROUND THE WORLD DAILY.

LESS TO PAY. SAVE UP TO 54% WHEN YOU SUBSCRIBE NOW.

THE WORLD'S DAILY NEWSPAPER

Currency/Country	12 months + 2 months FREE	3 months + 2 months FREE	6 months + 2 months FREE
Austria	A. Sch. 6,000	41	1,800
Belgium	B. Fr. 14,000	41	4,500
Denmark	D. Kr. 3,400	30	1,020
France	F. Fr. 1,500	40	590
Germany	D. M. 700	30	210
Great Britain	£	210	65
Ireland	£ Ir. 230	30	68
Italy	Lire 470,000	30	145,000
Luxembourg	L. Fr. 14,000	30	4,500
Netherlands	Fl. 770	30	230
Portugal	Esc. 47,000	40	14,000
Spain	Ptas. 48,000	41	14,500
hand delivery Madrid	Ptas. 55,000	30	14,500
Sweden (normal)	S. Kr. 3,100	30	900
hand delivery	S. Kr. 3,500	30	1,000
Switzerland	S. Fr. 610	40	185
United States	\$ US 340	30	115

Yes, I would like to start receiving the International Herald Tribune.

The subscription term I prefer is:

☐ 12 months (plus 2 free months) ☐ 3 months (plus 2 free weeks) ☐ Please charge my:

☐ American Express ☐ Diners Club ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard

Credit card charges will be made in French Francs at current rates.

Card No. _____ Exp. Date: _____

Signature: _____

For business orders, please indicate your VAT No. (VAT Number FR47432021126)

Mr/Ms/Ms Family Name _____ First Name _____

Mailing Address: _____

City/Country: _____ Country: _____

Home Tel No. _____ Business Tel No. _____

☐ I do not wish to receive relevant details from other companies

Mail or fax to: International Herald Tribune

181, avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Fax: (+33 1) 41 43 92 10

OR CALL (+33 1) 41 43 93 61

In Asia, call: (+852) 29 22 11 88, in the USA, call toll-free: 1-800-882-2884

Offer valid for new subscribers only.

MIL 3

EUROPEAN TOPICS

For the Icelanders, It's In From the Cold

Good things happen to those who shiver and wait. And now, after so many long nights out in the cold, it seems that Iceland is in.

The reasons go beyond the popularity of teenage pop singer Bjork to frenetic activity and surprising success in other fields of art and entertainment, says The Sunday Times of London. Icelanders already were the world's leading movie-goers (not surprising in a land of endless nights), but their films are now hot properties at world film festivals.

The publishing industry produces more books per capita than any other. Even the fashion industry these days has drawn attention — and not

just for its bulky woolen sweaters.

An aggressive work ethic is said to underlie the cultural boom. "When there is fish you have to go out and get it," says Anna Maria Karlsdottir, coordinator of the Icelandic film fund. "We are aggressive and enthusiastic about everything we do."

There is also more than a touch of the exotic and the fanciful in this land of hot springs and rugged landscapes, where highways reportedly have been rerouted to avoid disturbing rock-dwelling fairies.

Some aspects of Icelandic life, however, are unlikely to catch on among European jet-setters anytime soon: local delicacies like grilled puffin (the national bird, no less!) or "hakarl" — putrefied shark meat that has been buried in sand.

Around Europe

Ecologically sound logging, Sweden is finding, also

can be economically smart. Swedish loggers, long practitioners of a razed-earth approach, have shifted their emphasis, pressed by environmentalists, new law and a recessionary economy. Surprisingly, profits are rising by as much as \$1,000 per hectare, reports the German weekly Focus. Where once loggers would leave up to 300 hectares completely denuded, their "ecological cuts" now measure only 3 to 30 hectares. Trees grow faster on these small patches, reducing the need for expensive reforestation.

France's traditional restaurateurs are complaining that "ethnic" restaurants (including British) are providing stiff competition. Sushi, chile con carne, chicken Tandoori and tiramisu seem to be everywhere. Henri Gault, half of the restaurant-reviewing team of Gault and Millau, says there are now "more foreign restaurants than French restaurants" in Paris. The foreign restaurants offer generally lower

prices, often faster service, and exoticism.

Mr. Gault says there is no use complaining. "It is time to realize that we aren't the only people who know how to cook well," he says.

The French, he adds, may even be able to learn from the invaders.

A British record producer, Faleon Nemon Stuart, wants to realize a dream his father proposed in 1960 and build a huge bust of Winston Churchill on the south bank of the Thames in London. The great statesman's descendants have likened the planned 40-foot (12-meter) bronze likeness to "a Stalinistic monument" and vowed to block it.

The original proposal was rejected by authorities as tasteless and overdone, but Mr. Stuart, who wants to install the bust above a café, says it should fit in fine in today's London.

International Herald Tribune.

Irish Priest Pays Former Altar Boy He Abused

Reuters

DUBLIN — Ireland's Roman Catholic Church, reeling from a wave of scandals, admitted on Wednesday that a priest had paid compensation to a young altar boy he had sexually abused.

The Dublin Diocese said in a statement the priest paid a total of 56,000 Irish pounds (\$90,000) to a man, now 33, whom he had sodomized and raped in the 1970s.

It said that the money for the payment had come entirely from the priest and that the church had in no way paid any part of it.

The statement made front-page news in Irish newspapers, where similar stories about priests taking advantage of their powerful positions to sexually abuse minors have become a weekly event.

The man in the latest scandal, Alan O'Sullivan, told the Irish

Times on Tuesday that he was abused by the Reverend Patrick Hughes when he was an altar boy between 9 and 11 years old.

The diocese said that in March 1974 Father Hughes was withdrawn from the ministry and underwent psychiatric tests, which found that he was not suffering from any disorder that would prevent him continuing in the ministry.

But in 1993, Father Hughes

was withdrawn from the ministry.

Last week, Archbishop Desmond Connell of Dublin said he had lent another priest, the Reverend Ivan Payne, about 27,500 Irish pounds from church funds to settle a claim by a former altar boy.

The statement contradicted an earlier interview in which he had said that the church had overcompensated any victim of child sexual abuse.

NOT GUILTY | The Acquittal of O.J. Simpson

Case Closed, Now the Payoff: Notoriety Promises a Bonanza Deals Could Mean \$50 Million to Simpson

By James Sterngold
New York Times Service

LOS ANGELES — O.J. Simpson walked out of the courtroom saying he was eager to rebuild his life and move on. But it was clear from the deals his lawyers were trying to cut that the past and his notoriety are likely to be constant emotional and financial companions.

Mr. Simpson stands to reap a financial bonanza from his stunning experience, potentially making him far wealthier than he was before his former wife and a friend were slain on June 12, 1994.

Even before the verdict Tuesday, his agents had been discussing deals that could allow Mr. Simpson to earn as much as \$50 million trading on his notoriety. The richest deal being discussed would involve an interview on pay-per-view cable television, which could bring Mr. Simpson and his advisers tens of millions of dollars.

Others involved with Mr. Simpson and the trial are likely to earn millions. Robert Shapiro, one of his lawyers, has reportedly hired an agent to sell a book, and several publishing executives said a book by Judge Lance A. Ito could bring him more than \$5 million.

People involved in television, book publishing and film said that while it seemed certain Mr. Simpson would profit to some degree — even after paying as much as \$10 million for his defense — they cautioned that many media companies were still trying to calculate how much appeal a man accused of being a killer, even one who had been acquitted, might have to a popular audience.

Advertising companies, for instance, said they doubted any major national company would risk being associated with Mr. Simpson, in part because of lingering suspicions over the killings and in part because of disclosures that he had beaten his wife. Before his arrest, Mr. Simpson had a long career as a spokesman for Hertz Corp.

"He's poison," said Jerry Della Femina, chairman of Jerry & Keetchum Inc. in New York, referring to Mr. Simpson's prospects as a pitchman.

But others said Mr. Simpson's name recognition was so great after the media frenzy surrounding his trial that some companies would gladly try to cash in on it.

"After the brouhaha of the case dies down, I think that

O.J. Simpson will find himself in a very lucrative position," said Richard Kirshenbaum, co-chairman of Kirshenbaum Bond & Partners, an advertising agency in New York. "There are many untraditional companies who will be ready to jump on the bandwagon."

An official with one of the companies involved in selling Mr. Simpson expressed deep personal anger over the verdict because of her view that he murdered his former wife.

"After the brouhaha of the case dies down, I think that O.J. Simpson will find himself in a very lucrative position."

But then she proceeded to discuss details of one of his ventures, praising the bankability of his name.

Added an executive of a media company, "It is hard to think about these things, but it is even harder not to consider them, because of the kind of money that would be involved."

Mr. Simpson's football, acting and promotional career had made him a very wealthy man prior to the killing of his former wife and his imprisonment last year. His net worth during his divorce in 1992 was estimated at about \$11 million, and he earned close to \$1 million a year at that time, much of it from his work for Hertz.

The home that Mr. Simpson bought in February 1977, for \$650,000 is now worth about \$4 million, according to real estate agents.

It has been speculated that his defense expenses, which have not been disclosed, could eat up much of that fortune.

By far the most lucrative deal that his lawyers are now discussing is the pay-per-view interview, which would be broadcast on a cable television network.

CNN was approached several weeks ago by Mr. Simpson's lawyers about an interview conducted by Larry King, the talk show host, ac-

cording to people with knowledge of the discussions. These people said no hard figures were discussed, and the proposal was eventually rejected by Ted Turner, the head of the network, and other top executives because of the feeling it was improper to pay for a news interview.

But the people said that such an event might bring in from \$50 million to \$100 million, depending on how much Mr. Simpson was willing to disclose, and that Mr. Simpson and his advisers might receive about 80 percent of that sum.

The New York Observer reported earlier that Mr. Simpson's representatives had cut a deal for such an interview, but it gave no figures and did not say with what broadcaster the agreement had been made. Officials at Turner & Dodge, the firm reportedly representing Mr. Simpson in that deal, did not return calls Tuesday seeking comment.

This spring, Mr. Simpson's agents set up a phone line people could call for a charge and bear a message in which Mr. Simpson declared from jail, "Hi, this is O.J. Thanks for using the juice line. I'd like to thank all of my fans for your support." That venture was expected to bring in many hundreds of thousands of dollars and demonstrated to some Mr. Simpson's earning potential.

Mr. Simpson already has earned more than \$1 million from his book, "I Want to Tell You," published by Little, Brown & Co. A total of 650,000 copies have been printed and 580,000 shipped so far.

A publishing executive said that a follow-up book has been discussed, with a proposed advance of about \$5 million, but that no agreements had been signed.

Mr. Simpson has put together a special limited edition of his current book that will be sold through a "tele-auction" by Ammar Inc., a marketing company here. The 3,000 numbered copies are bound in blue fake leather and are contained in a similarly bound box. The books contain a leaf signed by Mr. Simpson. They will also have a certificate signed by one of his lawyers, Robert Kardashian, verifying their authenticity.

The bidding for the books began at \$250 and it is expected that offers could run as high as \$5,000. Mr. Simpson is believed likely to take in several hundred thousand dollars from this sale.



READ ALL ABOUT IT — The British press proclaiming the Simpson acquittal in a variety of headline styles, ranging from the flat to the outraged.

Who Was on Trial? 'The Black Male in America'

By Kevin Merida
Washington Post Service

WASHINGTON — The O.J. Simpson verdict illustrates a paradox of America's tense racial climate. He lived in an exclusive white community, married a white woman, golfed at white country clubs, didn't crusade for black causes and yet was suddenly transformed into a symbol of racial justice.

"He became every black male who's ever been involved in the criminal justice system," said Wilbert A. Tatum, editor and publisher of New York's Amsterdam News, one of the nation's most prominent black weeklies. "It was the black male in America who was on trial." And yet, Mr. Tatum added, "He was more of a success of white America."

For many African Americans, Orenthal James Simpson is a high-profile surrogate in the ongoing battle to address their grievances with the nation. It is a time, for many, of sowing racial relations, of cutbacks in social programs, of political and court assaults on

hard-won civil rights gains. And so Mr. Simpson's acquittal represents for some a psychological victory.

"The verdict is clearly a reaffirmation of black public opinion," said a Democratic pollster, Ron Lester, citing surveys throughout the trial indicating that blacks overwhelmingly believed he was innocent. "It kind of confirms that there truly can be justice in America, and that is counter to what most blacks generally believe about the criminal justice system."

Yet Mr. Simpson was no ordinary black defendant. He had money to defend himself, status to demand special treatment. And he hardly had the profile to become a civil rights cause celebre. "It really wasn't about O.J.," said Elaine Williams, a black barber in the Crenshaw district in South Central Los Angeles. "It was about everything that has happened over the years to black people in Los Angeles."

As to the question of guilt or innocence, "I think people fell on both sides of the issue," said Representative Donald M. Payne, Democrat of New Jersey,

and chairman of the Congressional Black Caucus. "I don't think that all blacks necessarily felt he was innocent," he said. "I'm not celebrating. It's still a tragedy. Two lives were lost."

And yet Mr. Tatum noted that in Harlem on Tuesday — as occurred in some neighborhoods in Washington — people bonked their horns, cheered and applauded the verdict.

"There was something historic about this," Mr. Tatum said. "It displays an already open wound that America refuses to deal with — and that is racism."

Should anyone forget that Mr. Tatum added, they should be reminded of a call to the newspaper's switchboard 15 minutes after the verdict: "There's going to be a whole lot of dead niggers and those at the Amsterdam News are first."

Whether or not the verdict will exacerbate racial tensions is in dispute.

"Initially, yes," said Frederick Lynch, a professor of government at Claremont McKenna College in California. To a lot of whites, Mr. Lynch said, the not-guilty verdict "will sort of confirm their worst

suspensions, whereas a guilty verdict would have made people kind of sit back and say, 'Hmmm, maybe things are not as bad as they seem. Maybe people can step back and assess the evidence independent of race.'"

"I think the people who have taken this as a shot in the teeth are the white elite," Mr. Lynch added, "both conservative and liberal."

Mr. Lynch said the trial had highlighted race and gender questions, and that the verdict was likely to create fissures in some liberal coalitions.

"Feminists wanted this trial to be a show trial on domestic violence and the race radicals said, 'No, this is another frame up of a black man.' And so in a sense, race trumped gender."

Some suggested there needed to be a national truce called before things get out of hand.

"Listening to radio talk shows, it's definitely an us versus them situation," said Emma Rodgers, co-owner of one of the nation's largest black book stores, Black Images Book Bazaar in Dallas.

Shapiro, a Defense Lawyer, Attacks Cochran for Playing the 'Race Card'

Compiled by Our Staff From Dispatches

LOS ANGELES — Robert L. Shapiro, one of O.J. Simpson's lawyers, has condemned what he described as the defense team's tactics of pandering to race and said he would never again work with its most vigorous practitioner, Johnnie L. Cochran Jr.

Mr. Shapiro also shot barbs at F. Lee Bailey, another member of the "Dream Team" of defense attorneys that managed to win a verdict of not guilty for Mr. Simpson on two murder charges.

Mr. Shapiro said he disagreed strongly with Mr. Cochran's decision to "play a race card" in the trial.

"Not only did we play the race card, we dealt it from the bottom of the deck," Mr. Shapiro told a television interviewer, Barbara Walters, on Tuesday.

He also said he was "deeply offended" by Mr. Cochran's comparison of Mark Fuhrman, a former detective with the Los Angeles Police Department, to Adolf Hitler and by Mr. Cochran's contention that Mr. Fuhrman's racism was comparable to the Holocaust.

"To me, the Holocaust stands alone as the most horrible human event in modern civilization," Mr. Shapiro said. "And with the Holocaust came Adolf Hitler, and to compare this man in any way to a rogue cop, in my opinion was wrong."

Mr. Shapiro said that while Mr. Cochran "believes that everything in America is related to race, I do not."

"I believe there are certainly racial problems in this country, and I believe that peaceful solutions can help bring the races together," he said.

Miss Walters asked Mr. Shapiro if he would work again with Mr. Cochran.

"No," he replied.

Responding to these statements, Mr. Cochran said Mr. Shapiro was possessed by "demons that need to be exorcised."

Mr. Shapiro also said he would never again speak with Mr. Bailey, his longtime friend.

He did not elaborate on his anger toward Mr. Bailey, but the two began feuding months ago after Mr. Shapiro was told that Mr. Bailey had been criticizing him to reporters.

At a separate news conference for the prosecution team, one speaker after another choked back tears.

District Attorney Gil Garcetti, voicing both anger and "profound disappointment," asked for more time to reflect before answering a question as to whether the verdict had shaken his faith in the jury system.

For the two lead prosecutors, Marcia Clark and Christopher A. Darden, both also deputy district attorneys, a tiny moment of grief and fury at the news conference seemed emblematic of the collapse of their effort.

Unable to finish his sentences, Mr. Darden broke off his remarks with a small wave of his hand and hurried from the room, shaking with sobs. (NYT, LAT)

Tough Legal Woes Are Far From Over

Los Angeles Times Service

LOS ANGELES — O.J. Simpson's legal problems would appear to be far from over.

He still faces civil lawsuits for the wrongful deaths of his former wife, Nicole Brown Simpson, and her friend, Ronald L. Goldman.

The families of both victims have filed suit and it is widely expected that Mr. Simpson will be forced to testify.

Custody of his two younger children may be challenged. Sydney, 9, and Justin, 7, have been living with their mother's parents since their father's arrest and the grandparents have indicated they may fight for custody of the children.

Separate suits for wrongful death have been filed by Mrs. Simpson's family, by Mr. Goldman's father and sister and by Sharon Rufo, Mr. Goldman's mother.

Legal experts said Tuesday that Mr. Simpson's acquittal on murder charges could help in contesting the civil suits. But they stressed that he still faces a big fight because the standard of proof is dramatically lower in a civil suit than it is in a criminal case.

Also, under the rules that guide civil suits, Mr. Simpson could be compelled to take the witness stand and testify. He did not testify in the murder trial.

The jurors' discussions were "excited" but not hostile, Mr. Cryer said. They soon concluded that Mr. Park was mistaken about how many cars were in the driveway, that he may have been influenced by photographs that had been taken later.

After the Park testimony was re-read in open court, the jurors immediately took a second vote — at about 2:30 P.M. "That was the decisive vote," he said. "I didn't think we would all come together on the same mindset so quickly."

As the jury left Judge Lance A. Ito's courtroom Tuesday morning, Mr. Cryer thrust a clenched left fist into the air.

"It was like a 'Right on to you, Mr. Simpson,'" he said. "Get on with your life. Get your kids. Be happy. Get some closure in your life."

The strongest statement in support of the prosecution came from the older of the two white jurors, since identified as Anise Aschenbach. Mr. Cryer said he remembered her saying, "I really think he could possibly have done it. But I'm not sure."

Mr. Cryer said there were four points the panel wanted to check: How many cars Mr. Park said were in the driveway; how firm was his memory of whether Mr. Simpson's white Bronco was parked at the curb; what the dark figure Mr. Park said he saw entering the mansion was wearing and where exactly Mr. Park spotted him.

Quickly, he continued, the jury agreed that it needed to examine the testimony of Allan Park, the limousine driver who kept checking his watch and looking for signs of his passenger, Mr. Simpson, whom he was to drive from his estate to the airport.

Mr. Cryer said there were four points the panel wanted to check: How many cars Mr. Park said were in the driveway; how firm was his memory of whether Mr. Simpson's white Bronco was parked at the curb; what the dark figure Mr. Park said he saw entering the mansion was wearing and where exactly Mr. Park spotted him.

Real Estate Marketplace
Every Friday
Contact Fred Ronan
Tel: (331) 41 43 93 91
Fax: (331) 41 43 93 70
or your nearest IHT office

At Police Headquarters, Stunned Anger

Compiled by Our Staff From Dispatches

LOS ANGELES — You could have heard a needle fall on the hard, bare tile floor of Los Angeles Police Department headquarters when the word came, if it were not for the audible gasps of disbelief and dispiritedness.

The meaning of Tuesday's decision seemed almost too much to contemplate: The jury's acquittal of O.J. Simpson seemed to represent a guilty verdict for the police department on issues of purity and prowess, both of which were repeatedly called into question by Mr. Simpson's defense team.

On the sixth floor of headquarters, a noticeably upset police chief, Willie L. Williams, watched the verdict announcement with members of the media and quickly ushered them out, saying he did not want him or his officers saying something that could harm the case in the event of future legal action.

Despite a department-wide gag order, many detectives and rank-and-file officers could not contain their contempt — or their disappointment.

"The credibility of the Los Angeles Police Department was savaged before the world by a defense team that was out to beat the overwhelming evidence," said Officer Jay Johnson. "In the end, our trustworthiness and competence were judged as a result of one very bad police officer. And now many of us are paying for it — because we have less credibility."

Detective Mark Aragon, a homicide investigator who has been solving murder cases for seven years, said: "I honestly believe if they had caught O.J. on film committing the murders they would have found him not guilty. They would have said it was Fuhrman in an O.J. mask. This had nothing to do with two people being murdered. It had to do with the police department on trial. It just really gets under your skin."

He was referring to former Detective Mark Fuhrman, a lead detective in the Simpson case, whose racist views — on tape — were made public during the trial. The defense said that Mr. Fuhrman's racism led him to plant evidence against Mr. Simpson, who is black.

Officer Evan Williams, who also is black, said of Mr. Fuhrman: "He is an aberration. We do not have a department full of racists."

Officer Clark Baker speculated that the verdict may prod the department to develop new methods for collecting evidence. But, he said, "Morale has hit rock bottom."

And Commander Tim McBride said, "There are people on death row with a lot less evidence against them than O.J. Simpson. Nonetheless, the jury has spoken."

Chief Williams denied that the verdict was an indictment of the department and its way of operating.

But one sergeant disagreed. "None of my people believe that it isn't an indictment, he said.

For at least one officer, the outcome of the trial was too much to take. Detective Andy Monse, who investigates major assault crimes, said he has decided to leave the department and Los Angeles. "This is the straw that broke the camel's back," he said. "A lot of us are going to leave the department, me for one." (WPT, LAT)

POLICE: Tensions Are Heightened

Continued from Page 1

a rough justice by acquitting Mr. Simpson, an action that in the view of some will have a far-reaching, positive impact on the black community here.

"I think this jury sent a message that the time has come here in Los Angeles and in America that there must be a level playing field for everybody," said John Mack, president of the Urban League of Los Angeles.

"If we are going to be completely honest," he added, "there is the issue of class and affluence. O.J.'s celebrity and status enabled him to retain a superstar African-American lawyer in contrast to what is more typically experienced by the average person in South Central L.A."

"This is a disaster for black-Jewish relations," said Joel Kotkin, a public policy fellow at Pepperdine University and the author of "Tribes," a book about how various ethnic and racial groups become economically successful.

What Johnnie Cochran has done is allow the brown shirts in the courtroom while he's arguing about racism," he added.

Johnnie L. Cochran Jr. showed up at the courthouse last week surrounded by bodyguards from the Nation of Islam, many Jews, including Ronald L. Goldman's father, took deep offense, recalling the group's reputation for anti-white and anti-Semitic invective. Ronald L. Goldman was killed along with Nicole Brown Simpson, Mr. Simpson's former wife.

Tuesday, some members of Los Angeles's large Jewish community reacted bitterly to the acquittal.

"This is a disaster for black-Jewish relations," said Joel Kotkin, a public policy fellow at Pepperdine University and the author of "Tribes," a book about how various ethnic and racial groups become economically successful.

What Johnnie Cochran has done is allow the brown shirts in the courtroom while he's arguing about racism," he added.

What People Are Thinking About Verdicts

The Associated Press

LOS ANGELES — Several national polls taken immediately after O.J. Simpson's acquittal gave the public a chance to issue its own verdicts: About half said the jury was wrong, and many linked the outcome to Mr. Simpson's wealth and celebrity.

The polls also found the verdict increased confidence in the criminal justice system among blacks.

In a CBS News poll of 861 adults, 50 percent said the jury's verdict was wrong and 41 percent said it was right. But 59 percent of whites said the verdict was wrong, while 87 percent of blacks said it was right.

Mr. Cryer said there were four points the panel wanted to check: How many cars Mr. Park said were in the driveway; how firm was his memory of whether Mr. Simpson's white Bronco was parked at the curb; what the dark figure Mr. Park said he saw entering the mansion was wearing and where exactly Mr. Park spotted him.

Quickly, he continued, the jury agreed that it needed to examine the testimony of Allan Park, the limousine driver who kept checking his watch and looking for signs of his passenger, Mr. Simpson, whom he was to drive from his estate to the airport.

Mr. Cryer said there were four points the panel wanted to check: How many cars Mr. Park said were in the driveway; how firm was his memory of whether Mr. Simpson's white Bronco was parked at the curb; what the dark figure Mr. Park said he saw entering the mansion was wearing and where exactly Mr. Park spotted him.

Real Estate Marketplace
Every Friday
Contact Fred Ronan
Tel: (331) 41 43 93 91
Fax: (331) 41 43 93 70
or your nearest IHT office

GH337

Awarded "Mobile Phone of the Year in 1995" by Cellnet.

AXE

The digital switching system that serves over 100 countries, over 100 million lines and 26 million users of mobile phones.

FREETEST

The world's first DECT-based business cordless telephone system.

ERICSSON

TO OUR READERS IN GREECE:

The IHT office in Athens has moved to Permeas Athens S.A., Atrina Centre Building A', 32, Kifissias Ave., GR-151 25 Marousi, Tel: 301-6851525 Fax: 301-6853357

International Recruitment

Every Monday

Contact

Fred Ronan

Tel: (331) 41 43 93 91

Fax: (331) 41 43 93 70

or your nearest IHT office or representative

INTERNATIONAL

Q&A: U.S. Hosts Conference of Defense Ministers

Eastward Expansion of NATO: The Key to Future Stability

The U.S. defense secretary, William J. Perry, will be the host of fellow defense ministers from NATO nations beginning Thursday at Williamsburg, Virginia. High on their agenda will be expansion of the North Atlantic Treaty Organization and Bosnia. Mr. Perry discussed these topics with the IHT's Brian Knowlton.

Q: You recently visited four ex-Warsaw Pact countries. How fast can you pull them — or push them — along the road to NATO membership?

A: NATO expansion is off somewhere in the future, but what was stunning to me is how much effect the idea has already had. Just the prospect of NATO expansion has caused these countries to make dramatic progress in the areas required for membership: progress toward democracy, progress toward a market economy, progress toward civilian control of their military, stabilization

of relations with their neighbors and compatibility of their military forces with NATO.

In Hungary, we saw the progress that they had made in stabilizing their relations with Romania, which just a few years ago posed a danger of conflict. We see the same process between Hungary and Slovakia. So what seemed like intractable problems with ethnic minorities, like we've seen caused an explosion in Yugoslavia, are now getting resolved.

Q: Do you think Russian leaders' objections are primarily for domestic consumption?

A: Much of the Russian response on NATO's action in Bosnia is politically motivated. But I do not see the NATO expansion issue as being purely political. I do believe that Russia, and the Russian people, have looked at NATO as the enemy for so many years that the argument of moving NATO up to Russian borders resonates with many people.

Q: What view will emerge at the ministerial meeting about the new alliance report on eastward expansion of NATO?

A: Since the ending of the Cold War, we've had one very major objective, which is to get the dismantlement of the nuclear weapons, the ending of the balance of terror and, at the same time, dismantling of the massive conventional weapons built up in that war. All of that action requires intense cooperation with the Russians.

In parallel with that has been bringing the Central and Eastern European nations into the security architecture of Europe.

Those two overarching security goals have at times come into conflict. In particular, because we are moving forward with plans for NATO expansion, Russia tends to back off from cooperation in those other areas.

We are working with the Russians on the Nunn-Lugar program [about]

the dismantlement of nuclear weapons; we'll continue to work with them on the CFE [treaty on reducing conventional forces]. But we have not backed off the objective of NATO expansion.

Q: Is Russia going to be allowed to change the CFE treaty, essentially to keep forces around Chechnya?

A: It's perfectly reasonable to consider adjustments in the treaty [after the] dramatic geopolitical changes in Europe. ... All of the details of that treaty were specified based on a very different set of boundaries and political conditions.

Q: What are U.S. conditions on sending troops to a UN peacekeeping force in Bosnia?

A: First of all, there must be a peace agreement signed and accepted by all warring parties; secondly, the peace agreement must call for a peace implementation force, which we expect it will; third, that peace implementation force must be under

the command and control of NATO, and fourth, we have to consult with our Congress to get support.

The United States will propose to be a significant part of such a significant force — somewhere between a third and a half of it.

Q: How many U.S. troops?

A: We're thinking in terms of about a division [about 20,000 men in the U.S. military].

Q: The latest French nuclear test in the Pacific has made a lot of people very angry. The Clinton administration has seemed quite restrained in expressing its regrets about those tests.

A: I hope and I expect that when they complete these tests — as few as possible — they will join us in a move to have a fully comprehensive test ban treaty.

Q: How do you feel about Colin L. Powell, a graduate of this building, as a candidate for the presidency?

A: Colin's a good friend, but I don't do politics.

UN Alleges Massacre Of 9 Elderly Serbs

Killings Are Called the Worst Since Croats Entered Krajina

By Chris Hedges
New York Times Service

ZAGREB, Croatia — Nine elderly Serbian civilians were massacred in a Croatian village, apparently by men in Croatian Army uniforms, in the worst single attack against Serbian civilians since the Croats recaptured the southern Krajina region from secessionist Serbs in August, according to senior United Nations officials.

Yasushi Akashi, the senior UN envoy to the former Yugoslavia, said the UN had "first-hand evidence" of the murders and had found bloodstains, human hair and skin in the homes of the victims. Mr. Akashi said the Serbs were reportedly killed by "three to four men in uniform."

The bodies of the victims, ranging in age from 66 to 84, were discovered by relatives in the village of Varivode in southern Krajina on Thursday. UN officials said they had requested access to a witness, a woman who they said was being held by the Croatian police on an island near Ogulin.

Croatian police said they were investigating the killings and would allow the UN to interview the woman.

Croatian troops have been accused by the UN of atrocities, including the murder of Serbian civilians, since Croatian forces recaptured Krajina from secessionist Serbs in August.

The Croatian offensive drove more than 120,000 Serbs, many of whom had lived in Krajina for generations, from their homes. Only about 3,500 Serbs, most too elderly or infirm to flee, stayed behind.

These remaining Serbs had been subject to harassment, and their homes had been looted and burned by Croatian troops, according to UN officials. More than 120 Serbs, most over the age of 60, have been murdered in the last two months, and UN monitors in Krajina find an average of four to six bodies a day.

But a UN spokesman in Knin, Alun Roberts, called the latest murders "the worst single act of killing since the Croat military authorities took con-

trol of the area" in August. The UN commander in Knin, Brigadier General Alain Forand, said the violence by the Croats in the Krajina was "out of control."

UN officials who visited Varivode on Sept. 11 said the 17 Serbs who remained in the village were alive and in good health. But on Monday, UN officials found the names of nine of the Varivode villagers on fresh graves in the cemetery in Knin, about 30 kilometers (18 miles) northeast of the village.

Panel to Hear Evidence

News agencies reported: The United Nations war crimes tribunal for the former Yugoslavia is to begin hearing evidence on Monday in the case against a Bosnian Serb camp commander, Dragan Nikolic, the tribunal said Wednesday in the Hague. Reuters reported. Mr. Nikolic, who was indicted by the tribunal in November 1994, is charged with torture, murder and other crimes against humanity.

The work of the tribunals and that of one established to prosecute charges of genocide and war crimes in Rwanda is being seriously impaired by UN spending restrictions, the chief prosecutor of the tribunals said Tuesday. The New York Times reported from Warsaw.

The tribunals are prevented from spending the money to send investigators into the field, recruit lawyers and other personnel or renew contracts of current personnel as a result of restrictions on UN agencies imposed by Secretary-General Boutros Boutros Ghali last month in the face of a financial crisis.

If these restrictions continued, they "would shut down the Rwanda tribunal and render unconscious the Yugoslav tribunal," said Richard Goldstone, a South African jurist who is chief prosecutor for both tribunals.

So far, the Yugoslav tribunal has indicted 43 people, including Radovan Karadzic, leader of the Bosnian Serbs, and General Ratko Mladic, their military commander.

Legislator Named As Acting Leader Of Macedonia

Reuters

SKOPJE, Macedonia — Macedonia appointed an acting president Wednesday amid fears that President Kiro Gligorov was too badly wounded by a car bomb to resume office.

The Parliament speaker, Stojan Andov, took over as interim head of state while Mr. Gligorov, who has already undergone brain surgery, was operated on to save his sight.

Mr. Andov controls Macedonian television and radio and heads the powerful business-oriented Liberal Party.

He said the attack on the 78-year-old president would not be allowed to destabilize the volatile southern Balkan republic.

Western diplomats said Mr. Gligorov's sudden loss would create a political vacuum but expected his likely successor to continue his attempts to soothe relations with powerful neighbors.

But Greek spokesmen said they were concerned that the bombing was carried out by Macedonian nationalists opposed to Mr. Gligorov's efforts to end a four-year diplomatic and economic dispute with Athens.



Richard Holbrooke, the U.S. peace envoy, after meeting with the Bosnian president on Wednesday in Sarajevo.

U.S. Says Bosnia Army May Need Special Training After Peace Deal

The Associated Press

WASHINGTON — The Clinton administration may propose that an outside group including Americans provide special training to strengthen the Bosnian Army after a peace deal is signed, Defense Secretary William J. Perry said Wednesday.

The goal, Mr. Perry said, would be to avoid leaving the Bosnian government forces in a weak position once the peace settlement is implemented and NATO forces leave. Such weakness could lead to reigniting hostilities, he said.

But both Mr. Perry and the visiting French defense minister, Charles Millon, indicated their opposition to further arming of Bosnian government forces.

The NATO secretary-general Willy Claes, also in Washington, said allied troops must remain strictly neutral in enforcing a peace settlement.

"NATO troops will not be asked to fight a war in the Balkans on behalf of one side against another," Mr. Claes said in a speech to the National Press Club. "We will go in only

if the Bosnian government is satisfied with the peace settlement and wants us there, and only if all the parties have signed and pledged to respect the agreement."

Mr. Claes said the plan included the pullback of warring forces behind agreed demarcation lines, the insertion of NATO forces into the resulting buffer zone, and the monitoring of compliance with the peace agreement.

Mr. Perry said training for the Bosnian Army would be among the topics discussed at a meeting of NATO defense ministers Thursday and Friday in Williamsburg, Virginia. The ministers also will hear General George Joulwan, chief commander of NATO forces in Europe, lay out the latest plan for using alliance troops to implement a peace plan.

On Tuesday, Mr. Perry said that the NATO allies had not yet agreed to his idea of providing special training for the Bosnian Army.

Responding to reporters' questions at a picture-taking session in his office with Mr. Millon, Mr. Perry did not explicitly address the issue of

sending arms to the Bosnian government.

But he did say: "We do not want an arms race established in Bosnia. That would be the worst thing that could happen."

Mr. Perry said the aim would be to "professionalize" those forces so they were better able to defend themselves.

Asked his view of this idea, Mr. Millon strongly suggested that he would oppose arming the Bosnian Muslims.

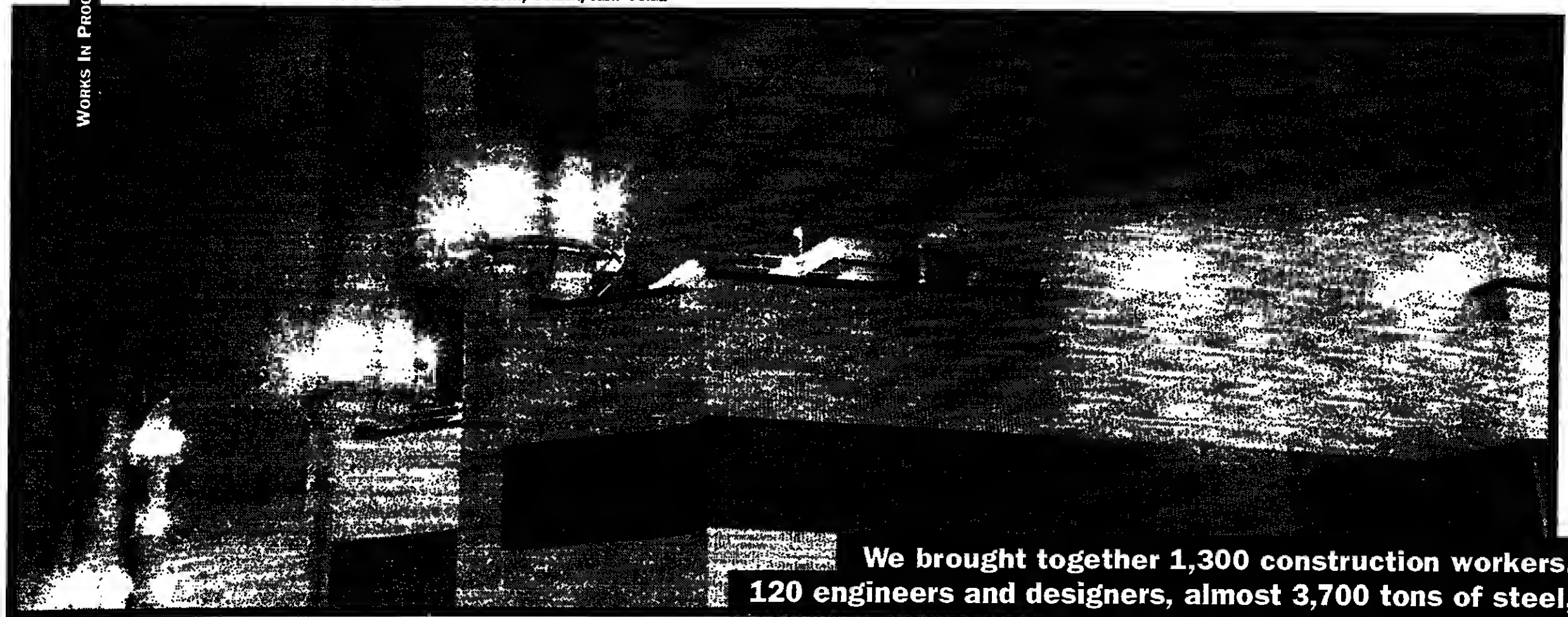
"France looks forward to organizing a multinational force rather than arming the belligerents and possibly facing the horrors that could follow," he said.

To achieve a better balance of power in Bosnia, Mr. Perry said, the U.S.-led alliance would have to either get all parties, including the Bosnian Serbs, to reduce their armaments or, alternatively, help strengthen the Bosnian Army.

Other defense officials, speaking on condition of anonymity, said Mr. Perry's idea of "professionalizing" the Bosnian Army meant providing advice and training — possibly including field training — but not necessarily supplying weapons.

WORKS IN PROGRESS

CASE HISTORY #12: SITHE ENERGIES' INDEPENDENCE STATION, SCRIBA, NEW YORK.



We brought together 1,300 construction workers, 120 engineers and designers, almost 3,700 tons of steel, and nearly two million feet of cable.

It's the largest non-utility affiliated independent power plant in the U.S. — and one of the most complex. So when Sithe Energies was planning this 1,000 megawatt giant to supply power that would reach homes across New York State, they

All for some television and home cooking.

came to us. Even before we began design and construction, our proven reputation and experience on turnkey projects were major factors in Sithe Energies' ability to secure financing. And within just two years, they had their Independence Station in upstate New York.

Right now, companies and governments the world over are relying on our integrated services for new facilities and modernizations. Having consolidated respected names such as Ebasco, Badger, and United Engineers &

Constructors, we now serve our clients in many industries from more than 40 offices globally. Raytheon Engineers & Constructors is the single source for quality design, engineering, procurement, construction, operations, and maintenance — bringing together our vast capabilities to work for our clients' success.

Find out what we can do for you. Tell us your needs — we'll show you how we can make your next project a success.

Call Raytheon Engineers & Constructors today:
U.S. 617-860-2773, Asia 86-10-463-8031, Europe 31-70-3494004.

Raytheon Engineers & Constructors

- Power
- Nuclear
- Pharmaceuticals & Biotechnology
- Infrastructure & Transportation
- Polymers & Chemicals
- Environmental Services
- Food & Consumer Products
- Petroleum & Gas
- Heavy Equipment & Fabrication
- Metals & Mining
- Government Services

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Simpson Verdict Justice Stained

Whatever one thinks about the shockingly swift acquittal of O. J. Simpson, this "trial of the century" has left a stigma on U.S. criminal justice that could take years to repair. There was considerable scientific and circumstantial evidence incriminating Mr. Simpson in the murders of Nicole Brown Simpson and Ronald Goldman. Many people who followed the trial closely on television will continue to believe him guilty. To them, there were simply too many confluences of timing and data to dismiss.

Still, a jury with solemn instructions of "reasonable doubt" ringing in its ears rendered a verdict of not guilty. It was understandable given the relentlessly exposed bungling of the Los Angeles Police Department. Its investigators made so many errors that the mountain of evidence against Mr. Simpson began to look like an eroding sandpile.

The prosecution compounded the police bungling when it put Mark Fuhrman, a racist detective, at the center of its case. During the Simpson trial, he lied about his own racist speech, and tapes emerged betraying his willingness to tamper with evidence. Since Mr. Fuhrman was alone when he found one of the most incriminating pieces of evidence, a bloody glove, and since he may have been in a position to tamper with other evidence, his exposure as a racist threw doubt on much of the prosecution's case and allowed the defense to play the race card.

But his presence was only part of a tragedy of errors. The police failed in their

elementary duty to call medical examiners for hours after the victims' bodies were discovered. In an age when the science of blood identification holds promise of dependably solving many crimes, the law enforcement teams managed to mis-handle enough blood to shake the public's confidence and provide the jury a reason — or an excuse — to acquit.

Criminologists carried blood evidence away in an unrefrigerated state. A detective carried a sample of the defendant's blood on his person for half a day, opening the possibility of planting false evidence. After examining Mr. Simpson's vehicle, the police left it in an open parking lot.

Whether these cumulative errors and possibilities for tampering invalidated all of the forensic evidence, they opened the way for jurors to conclude that there was reasonable doubt about the damning laboratory findings. There were plenty of other flaws in the trial. Judge Lance Ito let the case drag on needlessly by conducting it for the convenience of the lawyers. The defense team piled up tactical coups, but tarnished its triumph with a prejudicial appeal to the predominantly black jury to look beyond the simple issue of Mr. Simpson's guilt or innocence and send a message to society. The prosecution case was clumsy and overcomplicated.

And the jury, after being locked up for nine months, took less than four hours to reach its verdict. That was clearly too little time for a methodical sifting of the evidence and the conflicting claims of the closing arguments. But in the end, this will be remembered as a case that was disrupted by the police.

—THE NEW YORK TIMES.

Don't Change System

A screenwriter who brought a script resembling the O. J. Simpson saga to Hollywood would surely be turned away on the grounds of overdoing American stereotypes.

The defendant was a handsome, engaging, black sports hero who had made friends and inspired fans across the spectrum of society.

None of them wanted to believe that he had committed a crime.

The victims — his glamorous, blond former wife and her unfortunate male friend who turned up in the wrong place at the wrong time — were sympathetic.

And the really bad cop, the witness whose testimony was critical to the prosecution's case, was a white bigot whose whole history lent weight to the suspicion that he just might have planted evidence to destroy a black man.

The supporting cast was a stereotypical stew: the high-powered, high-priced lawyers; the yuppie-ish woman prosecutor; the California surfer-type guy called Kato Kaelin.

There was something here for everybody's prejudice, for everybody's fear, for everybody's anxiety — and/or contempt.

With all this baggage, it was probably inevitable that millions of observers would have been disappointed no matter how the case came out. Tuesday's acquittal of Mr. Simpson certainly stunned and disappointed those who thought the government's evidence was overwhelming, even as it satisfied those who believe that the system — and in particular the Los Angeles Police Department — is so rotten and biased as to provide room for a reasonable doubt in any case where race is a factor.

Nigeria's Nemesis

Nigeria's General Sani Abacha has played a cruel joke on the 100 million people he purports to lead. He chose the 35th anniversary of Nigerian independence to announce on Sunday that black Africa's most populous country is somehow still not ready for self-government.

The general grabbed power in 1993, dissolved all political parties and legislatures, and jailed his civilian rivals. Now he says he intends to rule at least three more years before handing over power to an elected government.

True, he has responded to international pressure by commuting the death sentences for some political prisoners, but no leniency was shown Moshood K. O. Abiola, the presumed winner in a June 1993 election voided by the military. Chief Abiola still awaits trial on treason charges, a capital crime.

General Abacha also lifted the ban on three opposition newspapers and promised to relax some restraints on political parties. But these grudging concessions are not enough.

By every measure, military rule has been a calamity for Nigeria. Despite bountiful resources, a thriving oil in-

dustrial and an educated work force, Nigeria is bankrupt; annual per capita income has plunged to \$250, from \$1,000 in 1980.

Small wonder that so many Nigerians yearn for an accountable government and real freedoms.

Among them are Olusegun Obasanjo, the only general to turn over power to elected civilians, who has since been jailed as a supposed traitor, and the novelist Wole Soyinka, Nigeria's Nobel laureate.

Credibly if quietly, President Nelson Mandela of South Africa has made plain his country's dismay over repression in Nigeria. President Bill Clinton is said to have telephoned General Abacha to protest secret trials.

America has imposed limited sanctions on military sales, but it has held back from more punishing measures.

Randall Robinson of TransAfrica, a leader of the campaign against apartheid in South Africa, now suggests that Nigeria's rulers cry out for comparable ostracism. General Abacha is making Mr. Robinson's case.

—THE NEW YORK TIMES.

The Jury Was Convicted in the 'Trial of the Century'

By George F. Will

WASHINGTON — Hyperbole expands in societies where articulation is anathema, so the circus in Los Angeles was called "the trial of the century," which puts the proceedings at Nuremberg in an interesting perspective. Actually, from the start it was the jury that was on trial. It did not acquit itself well.

Incited by Johnnie Cochran — good lawyer, bad citizen — to turn the trial into a political caucus, the jurors did that instead of doing their banal duty of rendering a just verdict concerning two extremely violent deaths. The jurors abused their position in order to send a message about racism, police corruption or whatever.

There was condescension, tinged by racism, in some of the assumptions that the jurors would be incompetent jurors and bad citizens — that they would be put in the hands of defense attorneys harping on race, that they would be intellectually incapable of following an evidentiary argument or, worse, that they would lack the civic conscience to do so. But those assumptions seem partially validated by the jury's refusal even to deliberate.

Life is full of close calls, but the question of O. J. Simpson's guilt was not one of them. If 90 percent of the evidence against him had been excluded — indeed, if the

defense had been allowed to decide which 90 percent would be excluded — the remaining 10 percent would have sufficed.

Ten percent of the evidence would have sufficed had evidence been germane, which it was not when the trial was transformed into a seminar on Mark Fuhrman's viciousness and society's defects.

The defense brassily said to the jury approximately what Groucho Marx said in the movie "Duck Soup": "Who are you gonna believe, me or your own eyes?" The result has been a lesson about what happens when the reckless, rampant politicization of life encompasses even the criminal justice system: People get away with murder.

This case — which has given a new cast to the familiar question "Can a black man get a fair trial in America?" — leaves a debris of disturbing facts: The defense team demonstrated that if you have enough money to throw at the criminal justice system you can tie it up, like Gulliver among the Lilliputians, with a thousand threads of procedural tangles. The incompetence, or worse, of public institutions such as the Los Angeles Cor-

oner's Office is even worse than you thought. The experience of the African American community with police departments often is beyond the comprehension of white Americans.

Another chilling residue of this debacle should be the realization that nothing — no institution, no pattern of civility — is spared the ravages of racial thinking. For more than a generation now, U.S. public policies such as affirmative action, the racial spoils system and the cult of "diversity" have been teaching the nation that groupthink is virtuous.

Such policies have taught this by encouraging identity politics — the politics of thinking that you are but a fragment of the racial or ethnic group to which you belong and you have few if any obligations beyond it. Such policies have taught this by making it admirable — and lucrative — to identify with grievance groups defined by their resentments of the larger society. Such policies have taught this by accommodating the doctrine of categorical representation — the doctrine that the interests of a group can be understood, empathized with and properly represented only by members of that group. Given all this, it is not surprising that the jurors had no pangs of conscience

about regarding Mr. Simpson merely as a member of a group — and not seeing his victims at all. People who think "race-conscious remedies" for this or that can be benign are partly to blame.

At least there should now be snarled reconsideration of the presence of television cameras in courtrooms. One question is whether it is good for society to treat the criminal justice system as a source of entertainment. It simply will not do to chant the mantra about "the public's right to know." The impulse often behind that is just voyeurism turned up in rights talk. The public's "right" to whatever entertains it is not sovereign over considerations of the moral standing and proper functioning of the criminal justice system.

Regarding the latter, Mr. Cochran himself says that he believes some of Judge Lance Ito's rulings during the trial were made as they were because the world was watching. If so — if cameras are not a passive presence, if the act of observing alters that which is observed — then the case against cameras in courtrooms is irrefutable. And so perhaps it is possible to hope that the Simpson circus, which was without precedent, will not be any similar circus' precedent.

Washington Post Writers Group

To Preserve the European Union, Leaders Must Transform It

By Giles Merritt

BRUSSELS — Helmut Kohl, who is emerging as a statesman with a stature akin to Bismarck's, has called it "Agenda 2000." By that he means the tangle of knotty problems that confront the European Union between now and the turn of the century.

The difficulties that make up Chancellor Kohl's agenda are the structural changes that Europe must make to turn its 50-year-old ideas about a common market of six countries into a much more muscular political and economic bloc that within a decade or so could number 20 or 30 countries.

These ambitious plans for shifting European integration into high gear reflect the widespread anxiety that unless Europeans unite, they are doomed to lose their privileged place near the top of the global pecking order. But if the stakes are high, so are the risks. The issues contained in Agenda 2000 are deeply divisive; rather than advance the cause of European integration, they might instead lead to serious setbacks.

All these issues are to be addressed by an intergovernmental conference of the 15 EU states that is to begin next spring. Throughout the past few months, officials and politicians have wrestled with the questions that will shape the new Europe. They are not encouraged by what they see.

Exploratory talks have been held within the so-called reflection groups, which bring together representatives of all the member states, to decide how the conference will work. It has become abundantly clear to the reflection

group members that there are no easy solutions. A number of interlinked questions threaten to set the EU countries against one another and destroy their unity.

To underwrite the post-Cold War security of Western Europe, the Union's leaders have decided in principle that they should admit former Communist states such as Poland, Hungary, the Czech Republic and possibly Slovakia. The apparently ineluctable process of EU enlargement will also bring in Mediterranean nations like Malta and Cyprus by the century's end.

This year's addition of Sweden, Finland and Austria has already begun to impose serious strains on the Union's administrative and decision-making machinery, and the prospect is of paralysis leading to breakdown. What is more, the economic weaknesses of the countries that the Union feels it must embrace for geopolitical reasons could well bankrupt the EU budget.

The implications of these problems are so harsh that Europe's political leaders avoid spelling them out. To streamline EU decision-making, the traditional reliance on consensus must be scrapped. Instead, a form of intergovernmental "democracy" will mean that governments can be voted down, even though they may protest that their national interests are at stake. The main losers are likely to be Europe's small countries, which until now have enjoyed an even footing with the Union's five major powers.

Another form of second-class citizenship is seen as inevitable for the next batch of EU newcomers. If Central Europe's farmers (most notably Poland's millions of peasant smallholders) were to gain access to the Common Agricultural Policy's handsome subsidies, the budget contributions of the present member states would need to rise by at least 60 percent. That is clearly a political nonstarter. The Central Europeans will not be allowed unrestricted access to EU funds, and so they will not be equal members.

The dilemma that Europe's leaders face is that to preserve the Union they must transform it. The equality between nations that has formed the basis of Europe's political and economic integration since World War II has to be abandoned.

Either that or enlargement cannot take place and the Union will remain an exclusive club. But the conflict that rages in the former Yugoslavia is widely seen as a warning against precisely that sort of isolationism.

As if these major issues were not enough, there is also the need to win back the support of Europe's citizens. The Union is unpopular with Europe's voters, partly because it is used as a convenient scapegoat by politicians everywhere, and partly because of the high-handed style of the edicts that emanate from Brussels.

"Democratic deficit" is more than just a catch phrase. There is a widening gap between Europe's

voters and the often unelected lawmakers who meet in Brussels. The deliberations of the Council of Ministers, between member governments' ministers and ambassadors, take place behind closed doors. The European Commission has a penchant for secretiveness, and the European Parliament still has only limited powers.

The mood is increasingly one of skepticism, and that bodes ill for treaty changes that will be widely seen as add-ons to the already unpopular Maastricht treaty. In many EU countries, the conference's changes will need to be approved by referendums. The betting is that Europe's voters will approve changes only if they are also offered a greater say in EU decision-making.

Two other specters haunt the intergovernmental conference. Neither is on the agenda, but neither can be ignored. The first is monetary union and the creation of a single currency.

Whether or not that goes ahead in 1999, given the tensions now becoming plain between Germany and other EMU candidates such as France, Italy and Belgium, the EU governments negotiating around the conference table will be forced to assume that monetary union will sooner or later split the Union into those countries that subscribe to the single currency and those that do not.

The divisiveness of having an inner core of EMU countries and an outer periphery will be further aggravated by the second ghost at the conference. By 1999, the EU countries have to agree on a new

budget deal to fund the ambitious new Europe now under discussion. That is certain to set each other's throats the countries that are net beneficiaries of EU spending and those that are net contributors.

When the Union's leaders met recently in Majorca, Spain, to informally review the conference issues, they not surprisingly refrained from detailed comment. But among the experts and officials whose task it is to bring the conference to fruition, two camps are emerging.

One can be labeled the "muddling through" school, which will try to square such impossible circles as reconciling enlargement with continued decision-making by consensus. The other camp is made up of those who advocate radical change. They argue that Europe can no longer link with the Treaty of Rome and its outdated institutions. Instead, they say, the EU countries must seize this opportunity to rethink the executive and legislative powers of Europe.

Political inertia will favor those who are content to muddle through, even though that may condemn the Union to a lingering death from uncertainty, resentment and lack of direction.

There is a strong argument for sparking a Europe-wide debate over radical change. Any hopes of a more imaginative approach rest largely on the shoulders of Helmut Kohl, who has yet to do for European integration what Otto von Bismarck did for 19th-century German unification.

International Herald Tribune

Arafat Hopes to Woo America With a New, Soothing Banality

By Jim Hoagland

WASHINGTON — Yasser Arafat is an action painting in progress, changing shape and meaning before your eyes as the most recent touch of color dries. He is trying with Israeli help to cast himself as Palestinian president in waiting, a long lost friend of America's and even a tired family man who travels too much and never sees his kid.

That was the Arafat who dropped by The Washington Post after signing a second peace accord with Israel at the White House last week. When he responded to a reporter's question about his family life (he married in 1990 at age 61) with a complaint about never being home, he achieved the one thing I never thought Mr. Arafat capable of: total banality.

That is a price he is willing to pay if it will help keep Americans politically involved in the Middle East. An image change, from revolutionary and terrorist to caring parent and Yasser Everyman, is all in a day's work for Mr. Arafat.

Israel's leaders have discovered, to their alternating relief and horror, that Mr. Arafat will do whatever the circumstances require. It is pointless to analyze the statements he makes to different audiences to prove that the real Mr. Arafat is a secret unrepentant terrorist or an ardent peacemaker. There is no real Mr. Arafat beyond the needs of the day.

This is inevitable for a man who has emerged as the dominant leader of a people who have known only occupation or exile for centuries. Under the Turks,

British, Arabs and Israelis, the Palestinians have had to adapt and survive as their indigenous leaders have been systematically cut down by their occupiers.

In a historic gamble, Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres turned that equation inside out two years ago. They brought Mr. Arafat back from exile to preside over the fiefdoms of Jericho and Gaza. Now they have promised him authority over the remaining populated areas of the West Bank and an opportunity to win legitimacy as Palestinian leader in a free election six months from now.

Wary of running Palestinian lives and of the enormous expenditures on security that required, Mr. Rabin is pumping up a

still unsteady Palestinian leadership. The Israeli leader has refused to let terrorist bombs and other attacks on Israeli civilians shake his determination to pursue the peace process — just as former Israeli governments refused to let Palestinian terrorism deter them from attacking Palestinian bases in the war process.

In those Cold War days, Mr. Arafat served a useful purpose for the Israelis and for Arab governments dependent on U.S. or Soviet largesse: As the personification of Palestinian terrorism, he frightened Americans into caring about the Middle East.

A revolutionary Palestine Liberation Organization, backed by the Soviet Union, might destroy Israel and overturn Arab regimes valuable to Americans for oil and other reasons. America had to be involved.

With the Cold War ending, Mr. Arafat got one last shot at playing the bogeyman. He eagerly plunged into the trenches with Saddam Hussein. As usual, the Iraqi dictator overdid it: The Unit-

ed States smashed the rabid Arab nationalism Mr. Saddam and Mr. Arafat championed during the Gulf War.

An Arafat unable to scare Washington or seduce Moscow was of no use to Arab leaders, who abandoned him. The Palestinian had only one option left. He could be useful in keeping America involved in the Middle East not by making threats of war but by making promises of peace. And Mr. Rabin decided that Mr. Arafat was at last weak enough for Israel to take seriously and even to grant concessions if required.

The Israelis have discovered what Arab leaders already knew about Mr. Arafat and what Americans must now absorb: He plays a weak hand well. He has made himself, and the establishment of an effective state government, indispensable to Mr. Rabin and Mr. Peres. They are locked in a tough political battle with the hard-line Likud opposition, which maintains that force is the only way to deal with Palestinian terrorism.

Washington Post Writers Group



Jeff Danziger/Chrisian Science Monitor

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: Mixed Marriage

NEW YORK — The South Carolina Constitutional Convention has for the moment turned aside the discussion of negro suffrage to consider a question equally vital and sensational. At yesterday's [Oct. 3] sitting, section 34 of a proposed legislative ordinance was considered. It reads thus: "The marriage of a white person with a negro or a mulatto, or a person with one-eighth or more of negro blood, shall be unlawful and void." The motion, slightly modified, was passed, and the convention adjourned for ten days.

1920: Young Energy

PARIS — [The Herald says in an editorial:] Youth goes wrong very often because it lacks a legitimate outlet for its surplus energy. Scarcely anything better can be done for the health of society than to encourage proper physical activity for the young, be it sport or

non-energetic tasks. Unfortunately, at the same time that the pursuit of physical sport has been vastly encouraged, the lures in the great cities to unfettered dissipation have increased and become intensified in an alarming, even revolting degree. Proper vents for exuberant energy are the greatest safeguard against vice.

1945: 'Stateless' Jews

FRANKFURT — Approximately 90 percent of the 25,000 to 30,000 Jews in the United States zone of occupation in Germany who are classified "stateless" want to settle in Palestine. The fact was pointed up when a group of American generals inspected the Zeilshelm camp for Jewish displaced persons a few miles from the headquarters of United States forces in the European Theater. A banner with the words "Palestine — The Only Solution to the Jewish Problem" was prominently displayed.



International Herald Tribune

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Chairman

RICHARD MCLEAN, Publisher & Chief Executive

JOHN VINOCUR, Executive Editor & Vice President

WALTER WELLS, News Editor • PAUL HORVITZ, KATHERINE KNORR and

CHARLES MITCHELLMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors

ROBERT J. DONAHUE, Editor of the Editorial Pages • JONATHAN GAGE, Business and Finance Editor

RENE BONDY, Deputy Publisher • JAMES MCLEOD, Advertising Director

JUANITA CASPARI, International Development Director • DIDIER BRUN, Circulation Director

Director of the Publication: Richard D. Simmons

Director Adjunct of the Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.

Tel.: (1)41.43.93.00 Fax: (1)41.43.92.10; Adv.: (1)41.43.92.12; Internet: IHT@eurocom.net

Editor for Asia: Michael Richardson • Canterbury Rd., Singapore 0511. Tel: (65) 473-7768. Fax: (65) 274-2334

Gen. Mgr. Asia: Rod D. Knapford, 50 Gloucester Rd., Hong Kong. Tel: 852-2623-1188. Fax: 852-2622-1191

Gen. Mgr. Germany: T. S. Hader, Friedrichstr. 15, 10053 Frankfurt, Tel: (49) 72 67 55. Fax: (49) 72 73 10

Pres. U.S.: Michael Gwynn, 850 Third Ave., New York, N.Y. 10022. Tel: (212) 752-8890. Fax: (212) 755-8775

U.K. Advertising Office: 43 Long Acre, London WC2E. Tel: (44) 171 836-4802. Fax: (44) 171 240-2254

S.A. au capital de 1,200 000 F. RCS Nanterre 873205126. Commission Paritaire No. 61337

© 1995 International Herald Tribune. All rights reserved. ISSN: 0294-8822

OPINION/LETTERS

A U.S. Military Porkfest
Fattens Contractors

By Andrew Cockburn

WASHINGTON — Next year the United States will spend at least \$247 billion on defense, a figure that should give pause to those who worry that shuttered bases and silenced production lines are evidence that the military is on short rations.

Military spending peaked at \$304 billion in 1991, the year America won the Cold War. Nearly five years later, the budget has decreased by less than 20 percent, despite the lack of any real threat — unless you agree with the imaginative Lockheed salesmen who have invoked the potential menace of McDonnell Douglas F-18s in the hands of the Canadian Air Force as partial justification for buying their new F-22 fighter.

With such meager budget cuts, how is it that America's actual combat forces are disappearing so quickly? The army has lost about 40 percent of its combat battalions since 1990. Air force combat strength is down by almost 50 percent. The navy's active fleet has shrunk from 346 ships five years ago to 361 today. Sad stories abound of threadbare conditions, such as armored units training on foot because there is no money to put gasoline in the vehicles.

The problem is that the apparent goal of military spending is to direct as much money as possible into corporate coffers. The Pentagon is thus spending huge sums on research and development projects. Even if they result in any new hardware, it will be far too expensive to build more than a few of them.

The development costs of the F-22 fighter, ostensible future shield against the Canadian menace, will be \$2.2 billion next year. The F-22 is scheduled to go into production by the end of the century at an average price of at least \$110 million per plane.

That at least is cheaper than the disastrous C-17 transport plane, which is unable to ferry the originally required load across the Atlantic without refueling. At \$250 million to \$260 million each, this financial lifeline for McDonnell Douglas is far more expensive than the more efficient C-5B transport, which went out of production in 1989.

The navy plans not to refuel 688 nuclear submarines in order to gen-

erate a need for new and costlier vessels. Small wonder that military contractors' stocks are up so sharply this year.

Back in the Reagan days, such raids on the Treasury drew obloquy from the press and Congress. Nowadays almost no one seems to care, especially those in the Pentagon and White House.

"Don't talk to me about saving money," a high-ranking Clinton Pentagon appointee said of his department's budgetary windfall. "We can't even spend the money we have."

This is not to say that the Pentagon lacks initiative in unloading the cash. When Martin Marietta bought General Dynamics' aerospace business in 1994, the Defense Department donated \$60 million toward the costs of the purchase. This year, when Martin Marietta merged with Lockheed, the top executives from both companies announced plans to dismiss 20,000 employees and award themselves \$92 million in bonuses. Incredibly, the Clinton administration agreed to contribute \$31 million of taxpayers' money toward this payout.

It is unlikely that even former Defense Secretary Caspar W. Weinberger, helmsman of the Reagan administration's spending spree, would have countenanced such an arrangement. Nor would he have dared retain an interest in a company receiving Pentagon contracts. Yet Defense Secretary William J. Perry, his former deputy, John M. Deutch, who is now director of Central Intelligence, and Paul G. Kaminski, the Pentagon's undersecretary for acquisitions and technology, controlled a Virginia high-tech company called Cambridge Research Associates when it received an \$825,000 defense contract — its first ever — in May.

Cambridge specializes in "virtual reality" computer modeling techniques. In actual reality, the Clinton defense porkfest will leave America with a military whose purpose is largely to service contractors' balance sheets.

Let's hope that Canada stays friendly.

The writer, a contributing editor at Vanity Fair, contributed this comment to *The New York Times*.



Bad dreams ...

LETTERS TO THE EDITOR

Technology and Jobs

Howard Curtis Reed argues (*"For a World Effort to Help Rein In Job-Destroying Technology,"* *Opinion*, Sept. 18) that technological innovation destroys jobs and diminishes corporate profits by causing ever-shorter product life cycles. He suggests restricting the transfer of advanced technology from developed to developing countries to save jobs in the former's industries and guard the latter against "untimely investments" doomed to exacerbate their poverty.

This would clearly not be in the interest of emerging-market economies in Eastern Europe, Asia, Africa or Latin America. Historically, the catching-up of poorer countries depends on making good use of products and processes that often were designed in developed economies. It is impossible to argue that, for example, the diffusion of first-rate notebooks in Poland has harmed the "Poles' economic prospects. On the contrary: it helps them to catch up.

Mr. Reed is right to worry that technological innovations could hurt national welfare. But the West will not solve its unemployment

problem by persuading aspiring newcomers to the global marketplace to use out-of-date computers or rotary telephones.

JOCHEN LORENTZEN,
Prague.

The Unabomber

Regarding "Unabomber and Victim: Two Looks at Technology," *Opinion*, Sept. 26:

Both the Unabomber, basically a Luddite, and his victim, an unabashed apologist for technology, fall into the classic traps when discussing their vexing subject.

If we are ever going to come to grips with not only technology but modern progress in general, we must grasp two grim facts: The good and the bad effects of any invention are inextricably linked, and the bad effects almost always outweigh the good.

You can try to avoid the worst aspects of the technological revolution, but society as a whole is stuck with technology and all its side effects — at least until such time as an unforeseen disaster may bring it to its collective senses.

WOLFGANG ZUCKERMAN,
Avignon, France.

Without modern technology, would the Unabomber's manifesto denouncing technology have reached the audience he seeks? No telephones, no electricity, no radio, no television — he wants to have his cake and eat it, too. I suggest he remove himself to a remote section of New Guinea, or the last remnants of the rain forest in Brazil.

E. CHAPMAN,
Fontainebleau, France.

Signs of the Times

Anyone who has had to strain his eyes to make out a street sign at night, read a monument inscription or decipher a direction in capital letters from the far side of a Paris Métro station platform would tell the typographer Adrian Frutiger (*"Adrian Frutiger: Signs of the Times,"* *Sept. 18*) that the idea is not to "recognize letters one by one" but words!

A text should never be in capitals. As David Ogilvy wrote in "Ogilvy on Advertising," capital letters retard reading because "they have no ascenders or descenders to help you recognize words, and tend to be read letter by letter."

ERIK SVANE,
Paris.

For a Pregnant Teenager,
A Nightmare Come True

By Ellen Goodman

BOSTON — I don't suppose very many people in Omaha, Nebraska, saw the play last fall. It was experimental theater, and a political drama at that. A show with a deliberately provocative plot that asked the question, "What if?"

What if a band of abortion opponents kidnapped a pregnant woman to prevent her from having the procedure? What if they went beyond harassing women at abortion

girl if in fact she had an appointment to have an abortion.

Later, the Tulls produced a letter from a doctor who had never seen the girl saying that an abortion would be dangerous to her health — a recurrent claim that even C. Everett Koop, the anti-abortion former surgeon general, dismissed. Imagine the next scene: armed with that bogus piece of paper, the police surrounded the house where the family was staying. The officers took the terrified girl into custody and off to the jailhouse for questioning.

Hours later, they sent her to a foster home to protect her, the county attorney said, from her parents. Their criminal neglect? Helping her make an appointment for an abortion.

Forgive me if this drama becomes courtroom melodrama now. A second doctor determined that the teenager was 27 weeks pregnant and the family agreed it was too late to abort. Still the judge released the girl to her parents only on the condition that "no abortion shall be performed on the subject's unborn child."

So, in an astonishing set of circumstances, this family was stripped of the legal right to make this decision privately. The vigilantes of the town drove the girl out of school and her family out of town.

There are many reasons why the Scotts might have let this drama end there. Emotions still run dangerously high; on the day the suit was filed, the Scott family's old house in Blair was vandalized.

But Mr. and Mrs. Scott cannot forget that, in the words of Janet Gallagher of the American Civil Liberties Union, "their daughter was kidnapped from her family under the color of law, with the complicity of the local police and authorities."

The love for a granddaughter they are helping to rear doesn't mute that memory of injustice. Or the knowledge that it could happen to anyone, 15 or 35 years old, 23 weeks pregnant or 35.

This is not the first time that a boyfriend has tried to influence an abortion decision. Nor is this the only small town where anti-abortion sentiment runs deep.

But in Blair, town authorities twisted the law to fit their own sentiments. And a drama about "what if" has now become a docudrama about "what is."

The Boston Globe.

BOOKS

FRIENDS IN HIGH
PLACES: The Rise and
Fall of Clark Clifford

By Douglas Frantz and David McKean. 450 pages. \$24.95. Little, Brown & Co.

Reviewed by Nicholas Lemann

THIS is an unauthorized biography, Douglas Frantz and David McKean write in the acknowledgments to this book about Clark Clifford. "However, near the conclusion of our research, Mr. Clifford finally agreed to sit with us and answer any and all of the questions that we wished to put to him. In all, we had more than 50 hours of taped conversations with Mr. Clifford."

A virtue of "Friends in High Places" is that it makes Clifford's unusual decision to spend so much time with investigative biographers, whose interest in him obviously stems from his humiliation in the scandal involving the Bank of Credit & Commerce International, completely understandable.

Clifford's greatest fear is the fear of becoming unimportant. This is a man who used to be teased about wanting his face carved on Mount Rushmore.

Time devoted to a book about oneself is by definition time spent as a big shot. Frantz, a reporter for The New York Times, and McKean, a lawyer who was among the chief investigators in the Senate inquiry into the affair, consistently treat Clifford with kindness and decency.

They are first-rate reporters, though, and the details of the life story they have painstakingly accumulated outweigh whatever winning over of them Clifford may have done.

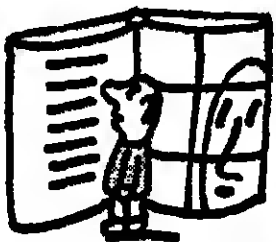
Clifford's wonderfully burlesqued 1991 autobiography, "Counsel to the President," sought from its title onward to portray him as having spent his life essentially as a statesman. But there was about a 10-1 ratio between the time he put into his primary career as a successful business lawyer and the time he devoted to government service.

Prosperity and prominence were his initial goals; politics was something he stumbled into almost by accident in his late 30s, thanks to the unexpected ascension of a fellow Missourian, Harry S. Truman, to the presidency.

The only son of a devoted but unexceptional father and an ambitious, theatrical mother, Clifford was an alpha male

WHAT THEY'RE READING

• President Robert Mugabe of Zimbabwe is reading "Struggle of Zimbabwe" by Ngwabi Bhebe. "It is an insight by an outsider, as it were, not a participant in our struggle." (Mitchell Martin, IHT)



from earliest adulthood: handsome, commanding, smart, driven. After law school he talked his way into an unpaid job at a leading St. Louis firm, and worked so hard and well that he became its youngest partner. In 1944, he joined the Navy, and in 1945 he got a temporary job as an assistant naval aide in the White House. Soon he was the star of President Truman's staff.

Rather than remaining at Truman's side for as long as he could be of help, Clifford left and started his law firm while he still had a couple of years of presidential access remaining. Clifford made more than half a million dollars in his first year of law practice, and more than that every subsequent year for decades.

What he actually did to earn all that money is slightly mysterious, which may have been the way he liked it. As government and the press, as well as clients, accepted Clifford's idea of himself and began doing things because Clark Clifford said to do them, the perception of his power turned into a reality.

The intangible nature of the Clifford product, made him highly susceptible to a fade. It began during the administration of Jimmy Carter, as he is called (that's Clifford speak-

ing) and, Frantz and McKean argue convincingly, was the backdrop to his becoming mixed up with the Bank of Credit & Commerce International, the corrupt institution that caused his downfall.

Clifford couldn't stand the idea of becoming peripheral, and saw a new career in banking as a way to remain a big shot. Did Clifford know that the bank was secretly and illegally the owner of the bank he ran, First American Bankshares?

Frantz and McKean go no further than saying that "he saw only what he wanted to see" about the connection between the two institutions, while making it clear that this would have involved wearing an enormous set of blinders.

Several times, Frantz and McKean refer to Clifford's story as a Greek tragedy. That's certainly Clifford's view, and it is in the interest of Frantz and McKean as biographers that their subject be of truly grand proportions.

Their fascinating book raises inter alia the best argument against the idea: It can't be a tragedy if the main character was never really a hero.

Nicholas Lemann is a national correspondent for The Atlantic Monthly. He wrote this for The New York Times.

BRIDGE

By Alan Truscott

SOUTH reached three no-trump after West had opened one diamond. A diamond was led and won with dummy's ten. South wanted to develop an extra heart trick without losing the lead to East, and saw that this could be done if West held Q-x-x of hearts and could be forced to win the queen. He led to the club ace and played a heart, winning with the king when West played low.

The king and queen of clubs were cashed, reaching this position:

NORTH		WEST (D)		EAST	
♠ J 5 4	♥ A 9 5	♠ K 10 8	♥ Q 2	♠ Q 8 6 3	♥ J 7 4 3
♦ J 8	♣ —	♦ A Q 6 5 4	♣ 9 6 4	♦ 9 3	♣ 10 5 3
WEST		SOUTH		EAST	
♠ K 10 8	♥ Q 8 6 3	♠ A 7 2	♥ C 10 8 8	♠ A 7 2	♥ C 10 8 8
♦ Q	♣ J 7 4	♦ K 7 2	♣ A Q J 2	♦ K 7 2	♣ A Q J 2
♣ A Q 6 4	♠ —	♠ —	♠ —	♠ —	♠ —
SOUTH		WEST		EAST	
♠ A 7 2	♥ 10 8	♠ —	♥ —	♠ —	♥ —
♦ K 7	♣ —	♦ —	♣ —	♦ —	♣ —
♣ J	♠ —	♠ —	♠ —	♠ —	♠ —

North and South were vulnerable. The bidding: West North East South 1 ♠ 1 ♠ 1 ♠ 3 N.T. West led the diamond five.

LIVING IN THE U.S.?

Now printed in New York
for same day
delivery in key cities.

To subscribe, call
1-800-882-2884
(in New York, call 212-752-3890)

Herald INTERNATIONAL Tribune

THE WORLD'S DAILY NEWSPAPER



"What I really like
is its coverage"

Reviews of the French press regularly quote *Le Nouveau Quotidien*. It's good for our ego. But our real mission lies elsewhere. It's to keep our eyes open to what's happening in all of Switzerland. This way we build wider bridges between the people of the French-speaking

and the Swiss-German regions. We even convince them to discover more places, more often. After all, Thailand isn't the only place on earth... we've set out to get people in Switzerland moving in many different directions. And, we're proud to say, we're succeeding.

LE NOUVEAU QUOTIDIEN
L'esprit d'ouverture

Le Nouveau Quotidien is read throughout French-speaking Switzerland: 63% of our readers live between Geneva and the Canton of Vaud; 37% in the cantons of Fribourg, Neuchâtel and Jura, and the French-speaking region of Valais. To advertise or to discover more about Switzerland's new *Le Nouveau Quotidien*, please call ESPACE PUB. Tel. (41) 21/626 15 80 - Fax (41) 21/626 15 73

HEALTH/SCIENCE

Salt: Another Black Mark

By Harold M. Schmeck Jr.
New York Times Service

NEW YORK — Vital to life and sought worldwide for its taste, common salt has played a large role in history because of its scarcity in many times and places.

Salt has figured in wars, the North African slave trade and an onerous tax in prerevolutionary France. But today salt is cheap and plentiful. Many experts say, in fact, that its wide use is largely responsible for an epidemic of high blood pressure and many resulting deaths from heart disease in the United States and other countries.

A vast amount of data supports this view. But blaming salt for high blood pressure, or hypertension, in the general population has been controversial, even described by some as a myth.

The evidence has many ambiguities. Some studies have shown little connection between salt consumption and blood pressure. In populations where salt is copious in the diet, high blood pressure is often common, but not everyone who eats the salt shaker with a heavy hand develops the condition.

Furthermore, in those who do, other factors usually cloud the issue: the stresses of modern life, a host of other foods taken in too large or too small amounts, lack of exercise, and too much alcohol and cigarette smoking. How can the role of salt alone be teased out of the complexities of human diet and behavior?

Research that may go far toward doing just that has been completed by an international team. Working with chimpanzees in Africa, the scientists found that adding salt to the animals' diet sent their blood pressure up significantly. When salt was removed, blood pressure came back down.

The study, led by Dr. Derek Denton of the Howard Florey Institute of Experimental Physiology and Medicine at the University of Melbourne in Australia, was reported in the

October issue of the journal *Nature Medicine*.

A commentary in the journal by specialists on hypertension, including Dr. Jeremiah Stamler and Dr. Rose Stamler of Northwestern University Medical School, who are husband and wife, called the new data seminal.

Dr. Jeffrey A. Cutler, director of the clinical applications and prevention program of the National Heart, Lung and Blood Institute in Bethesda, Maryland, said the study was "very impressive" and would have been impossible to duplicate in humans.

Dr. Denton, an internationally known authority on the biological role of salt, believes the human hunger for salt arose early in hominid development as human ancestors evolved in salt-poor interior regions of Africa. Evolving where salt was scarce, humans developed a strong tendency to feast on it when opportunities arose.

Today in some people, the feasting is continual, habitual and, many experts say, dangerous.

For years Dr. Denton has been concerned with efforts to clarify salt's role in human high blood pressure. A definitive answer might be sought by studying an isolated, primitive society where natural diet has very little salt and by offering some of its members an extra salt ration over a long period of time. But that experiment would raise serious ethical questions since the people might be unable to give up dangerously excessive use.

Natural experiments in many parts of the world have already occurred as isolated jungle or farming communities have been introduced to civilization. Such people, living on a largely vegetarian diet with salt a rarity, have little or no high blood pressure. They show no tendency to increased blood pressure with age as is common in industrialized countries.

But these people often develop hypertension when they move to cities and adopt high-salt diets. While this evidence is

often used to indict salt, it is also easy to dispute. The migrants from low-salt conditions are also moving to radically new environments, exposing themselves to novel stresses and many dietary changes in addition to extra salt. Which factors are the guilty ones?

Dr. Denton's problem was to find a situation in which nothing at all but long-term salt consumption was changed. He and his colleagues turned to Africa and chimpanzees, the animal species that is by far the closest biologically to humans.

At the International Center for Medical Research in Franceville, Gabon, the scientists chose 26 adult chimpanzees who were living comfortably on a diet of mostly fruits and vegetables in long-established groups. The animals had already learned to cope with the stresses of their lives. Adding salt to their diet would involve no other change.

The normal diet for chimpanzees at the research center included very little salt, but large amounts of potassium, protein, vitamins and calcium. Some opponents of the salt hypothesis have argued that dietary shortage of potassium or calcium is the culprit in high blood pressure.

None of the chimpanzees chosen for the experiment had high blood pressure and there was no evidence that their blood pressure was increasing with age as it does in many human populations.

After studying the animals for a year in their natural state, the scientists chose half of them and added progressively larger amounts of salt to their daily diets — first about 5 grams, a little less than one-fifth of an ounce, then 10 grams and finally as much as 15 grams.

Translated to human terms, the diets with 5 grams of added salt equaled a modest level of salt use in countries such as the United States and most of Europe. In the 15-gram stage the animals were exposed to salt at a high level for human diet, but well within the rough limits of



Dr. Derek Denton taking a chimpanzee's blood pressure.

normal in some human populations.

Most of the animals given extra salt in their diet during a period of 20 months experienced what the authors called "highly significant" rises in blood pressure.

Among 7 of the 10 chimpanzees who ate all the extra salt they were offered, the average rise by the end of the long trial period was 33 millimeters of mercury in their systolic blood pressure and 10 millime-

ters diastolic. That put them solidly in the realm that would be defined as hypertension in humans.

Normal adult human blood pressure is about 120/80, and chimpanzee is 110/70 to 120/80. In the salt experiments, the animals' blood pressure commonly rose as high as 150/90 and sometimes much higher.

Among animals in the control group, blood pressure did not rise.

Clue to Gulf War 'Disease'

By David Brown
Washington Post Service

WASHINGTON — In science, sometimes making a discovery is the easy part. Making sense of the discovery is what's tricky.

Major Alan J. Magill has learned this over the last four years, as he and fellow researchers at the Walter Reed Army Institute of Research have studied the cases of 12 men who during the Gulf War acquired a rare tropical disease called viscerotropic leishmaniasis.

Some of the dozen soldiers were acutely ill, with high fevers and severe stomach pain, when physicians examined samples of their tissue. And when the microscopic *Leishmania* parasite was found in the samples, it was not entirely unexpected. Military doctors expected to see some cases of tropical disease among them.

A few of the soldiers, however, had unremarkable symptoms — headache, fatigue, total body discomfort, occasional diarrhea. They were the big surprise since they also had *Leishmania* parasites in their bones.

Today, more than 30,000 men and women say they have chronic illnesses they believe stem from service in the Gulf. "Gulf War syndrome" is a major mystery. It has been studied by three panels of scientists, and a presidential commission just began the task anew. None has found a single or dominant explanation for the complaints. In many quarters, the very existence of a syndrome is questioned.

How many of these veterans have undiagnosed leishmaniasis? "There is no way we can answer that \$64,000 question now," Major Magill said recently. "I think intuitively it's reasonable to think there are some. But I think this is at best an explanation of a small subset."

The first case of Gulf War leishmaniasis was diagnosed in late 1990, before fighting began, in a man who had been in Saudi Arabia for two months. Most of the patients had mild abnormalities, such as swollen lymph nodes and enlargement of the spleen and liver.

This differs from Gulf War syndrome, whose sufferers almost always have normal exams. In addition to the dozen certain cases, there are another dozen probable ones, in which physicians can detect *Leishmania* genes in patients' blood but can't grow the bug in the laboratory.

Diagnosing viscerotropic leishmaniasis has been hard and, in some ways, a matter of luck. "Chance would explain why we saw many of these patients," Major Magill said. "The biggest discriminating factor is who lives within driving distance of Walter Reed."

It's impractical, however, to check thousands of Gulf War veterans for this infection. The only test with a good chance of finding it requires the removal of cells from the bone marrow, a painful and moderately expensive procedure.

The search for a safe, accurate and painless

test is now under way at Walter Reed and at the Infectious Disease Research Institute, a laboratory affiliated with Corixa Corp., a biotechnology company in Seattle. Such a test should make it possible to determine how common viscerotropic leishmaniasis is among the veterans, as well as among other populations.

Tropical disease specialists are familiar with three forms of leishmaniasis. The most severe is called kala-azar. It causes fever, weight loss and immune system suppression. Mortality is high, but can be cut to less than 5 percent with good care and a 30-day course of treatment with an intravenous drug. The most common form of leishmaniasis produces long-lasting skin ulcers but is not fatal. A third and relatively rare form causes chronic, disfiguring infections of the nose and mouth. About a dozen species of *Leishmania* parasite cause one or more forms of the disease. Viscerotropic leishmaniasis affects internal organs, but is far less damaging than kala-azar. Unexpectedly, it is caused by a species, *Leishmania tropica*, previously seen only in skin infections. This combination of organ infection, total body symptoms and *L. tropica* is what is unique in the Gulf War cases.

The surest way of diagnosing any infection is to find the offending organism in the blood or elsewhere in the body of the sick person. An alternative method is to detect antibodies that the person's immune system has made against the invading bug. An organism's presence is more definitive than an antibody's. However, antibody tests are preferred when testing large populations, for they only require a blood sample.

The parasites that cause leishmaniasis undergo profound changes during the course of infection. A sand-fly bite transmits the bug in a slender, swimming form called a "promastigote." Symptoms occur only after the organism invades cells and transforms into an oval "amastigote" stage.

As the organism changes form, different genes are turned on and off, leading to production of different proteins for each stage. In response, the human host makes one set of antibodies against the promastigote and another set against the amastigote.

The antibody test currently in use looks for a reaction between a person's blood and an extract of promastigotes. In people with kala-azar, the body is teeming with *Leishmania* organisms and the test almost always is positive.

In the Gulf War cases, however, there appear to be few organisms in the tissues of the ill. Therefore, the antibody test gives borderline or negative results.

Major Magill and his colleagues are trying to get around this problem by finding the exact *L. tropica* proteins that people with viscerotropic leishmaniasis make antibodies against.

The research team published results of their experiments this summer in the *Proceedings of the National Academy of Sciences*.

Dieting Tied to Growth of Eating Disorders

By Daniel Goleman
New York Times Service

NEW YORK — New studies suggest that both anorexia and bulimia are twice as frequent as shown in earlier studies and that the incidence is increasing steadily. The single most likely culprit for the rising rates of these eating disorders, experts say, is the spread of dieting.

At the same time, major progress is being made in the treatment of the more frequent of the disorders, bulimia, with new therapy regimes producing high rates of improvement.

People with bulimia go on eating binges, followed by a purge — for example, forcing themselves to vomit — to keep their weight down. Those with

anorexia, on the other hand, have such a strong fear of gaining weight that they starve themselves despite becoming skeletal thin.

There is a close parallel between the rates of eating disorders and dieting. "The increase is directly proportional to the numbers of people going on diets," said Dr. George Hsu, director of the Eating Disorders Program at Tufts University School of Medicine. "For example, in developing countries like Taiwan, Singapore and China, dieting is becoming a fad, and eating disorders, once little known, are now becoming more common."

Eating disorders are about 10 times as common in women as in men, reflecting the greater prevalence of dieting among women, Dr. Hsu said.

"The desire to fit the cultural ideal of thinness drives many women to diet severely," said Dr. Terence Wilson, a psychologist at Rutgers University. "In some vulnerable young women, this leads to bingeing and purging, or to self-starvation."

Previous estimates had put the rate of anorexia at one to five cases each year per 100,000 people; for bulimia, the rate had been pegged at 5.5 cases each year per 100,000 women up to 24. But a new, more careful epidemiological study in the Netherlands, published in the September issue of the *American Journal of Psychiatry*, found higher rates: 8.1 for anorexia and 11.5 for bulimia.

The rate of bulimia increased directly with urbanization in the Dutch study. In rural areas, it was just 6.6 per 100,000 wom-

en, climbing to 19.9 in small towns and 37.9 in cities.

At the same time, a study in Scotland found that from 1965 to 1991, the number of patients being treated for anorexia increased by about 5 percent each year. That study, also published in the September issue of the *American Journal of Psychiatry*, notes that it is not clear how much of the increase is due to an actual jump in the number of cases and how much is due to better diagnosis or increased public awareness.

"The rates in these European countries should be roughly comparable to those in the U.S.," said Dr. Darryl Regier, director of clinical research at the National Institute of Mental Health. "There are no substantial differences."

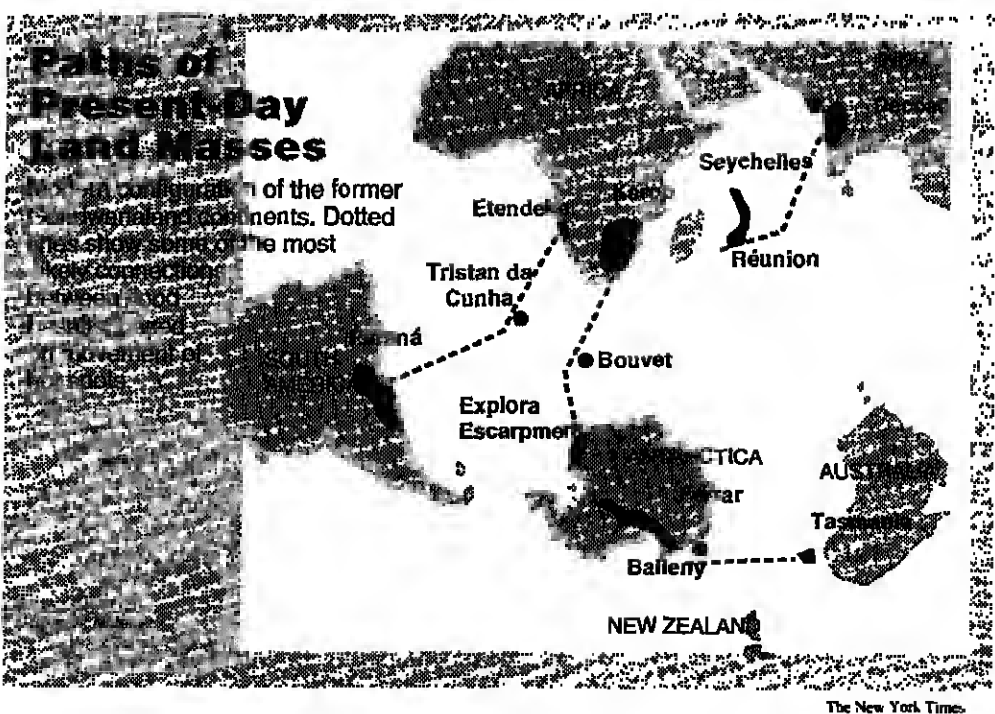
Anorexia, in which most

commonly it is a young woman who starves herself to keep her weight down, is life-threatening; the death rate among women in whom the disorder is diagnosed is 5 to 8 percent over the course of 10 years, mainly from suicide or effects of severe weight loss.

The outlook is better for bulimia than for anorexia, particularly with newer treatments. "There's lots of relapse with anorexia," said Dr. James Mitchell, a specialist in eating disorders at the University of Minnesota medical school. "But with bulimia, there's a better picture: when patients get good treatment, 60 to 70 percent get much better."

Several controlled studies have found that cognitive-behavioral therapy is the most effective treatment for bulimia, compared with other kinds of psychotherapy or drugs.

Treatment for eating disorders increasingly includes antidepressants because depression commonly accompanies the problems. "There have been several studies using antidepressants to treat bulimia, most using tricyclic medications," said Dr. Stewart Agras, director of the Eating Disorders Program at Stanford University Medical School. "They've found that it helps between 25 and 40 percent of patients stop bingeing and purging."



A Riddle of Tectonic Drift

By Malcolm W. Browne
New York Times Service

NEW YORK — Like drops of water skating across a hot skillet, sometimes colliding and coalescing, sometimes splitting asunder and scattering, the earth's continents are constantly moving.

A rapidly growing body of

observations has shed light on many details of the earth's continental gyrations, but a summary of conflicting theories published last week in the journal *Nature* makes clear that many tantalizing mysteries remain to be solved.

For some 35 years scientists have known that most of the earth's activity — the opening up of new oceans, the collision of continents and other major shifts — are traceable to the relentless movement of tectonic plates.

Tectonic plates are gigantic slabs forming the rocky hide of the earth's lithosphere. No scientist doubts the overwhelming importance of the movements of these vast slabs as they float over the planet's mantle.

But despite growing understanding of the earth's six major tectonic plates and a host of smaller plates, scientists still must wrestle with many intractable questions about the driving forces that constantly reshape the planet's surface.

DEBATES have proliferated along with a flood of data in recent years, and in the journal *Nature* last week, Dr. Bryan C. Storey, a geologist at the British Antarctic Survey in Cambridge, England, presented a summary of the many divergent views concerning the role of "mantle plumes" in breaking up an ancient supercontinent called Gondwanaland.

The broad question is whether mantle plumes played a vital, moderate or negligible role in the disruption of Gondwanaland, an event 180 million years ago that led to the creation of today's continents. A major problem is the fact that mantle plumes themselves remain

purely hypothetical. The many questions about the demise of Gondwanaland remaining to be answered hinge on whether the movement of tectonic plates alone could cause the breakup of a supercontinent, or whether mantle plumes were needed.

GEOLGISTS presume plate tectonics are ultimately driven by heat generated deep within the earth from the decay of radioactive elements. But it is the visualization of a mechanism by which this heat is transformed into dynamic geological processes that sparks disagreement.

Mantle plumes are thought to originate deep beneath the surface, where the liquid-metal core meets the mantle.

It may be that core irregularities produce plumes of molten rock able to penetrate the mantle, occasionally reaching the surface.

Once in a while a monster plume may break through the surface and spout an immense flood of molten basalt or other rock, many geologists believe. But although the mantle plume theory of heat convection is widely accepted, "there is no direct evidence for the existence of plumes," according to Dr. Michael Wyssession of Washington University. There is strong indirect evidence, he said, but they are extremely difficult to detect and not all scientists believe they play a role. Dr. Donald Anderson of the California Institute of Technology, for example, theorizes that hot spots may form at relatively shallow depths when a mass of insulating rock like Gondwanaland blocks the normal flow of heat to the surface.

CONFERENCES & EXHIBITIONS

16-18 OCTOBER 1995

WORLD GAMING CONGRESS & EXPO
The largest international gaming conference anywhere in the world.

REGISTER NOW & SAVE! Over 100 seminar hours, more than 500 exhibitors and 20,000 international gaming professionals. Keynote Speaker: Frank Fahrenkopf, CEO, American Gaming Assoc. Registration: \$405 until Oct. 7, \$525 after. Trade Show only admission available on site at the Las Vegas Convention Center. \$50 1 day, \$50 3 days. Gaming Hall of Fame Charity Dinner, Caesars Palace, Oct. 18, 7 p.m.

INT-212-594-4120, ext. 303.
All major credit cards accepted.

LAS VEGAS, NEVADA, USA

13-14 NOVEMBER 1995

Congressional Quarterly, Inc.
and Consultancy Europe Associates present:
THE EUROPEAN UNION: MAKING BUSINESS SUCCEED IN A CHANGING ENVIRONMENT.

Lobbying • Competition & Trade • Consumer Protection & Product Liability • The State of the Economic & Monetary Union • The GATT and Public Procurement • The New CTS, Central & Eastern European Markets. Speakers: Hugo Pietsma, EU Ambassador to the US and Mary Banotti, MEP/US Congress Committee, plus reps from AT&T, Deloitte & Touche, Congressional Research Service, the British Embassy (Washington), Eversheds.

Contact: Vincent Bryant • Tel: (202) 387-9620 • Fax: (202) 466-5370

WASHINGTON D.C., USA

13-15 NOVEMBER 1995

GTDC SYMPOSIUM
Options for Electric Power

International Symposium on power generation options for developing countries, sponsored by GTDC, the Global Technology Development Center and co-sponsored by UNIDO, the UN Industrial Development Organization and ANERT, the Agency for Non-Conventional Energy and Rural Technology. Speakers from the World Bank, UN, ABB, Siemens and others will present papers on current technology, environmental impact, management, operation, financing and other relevant topics.

Contact: GTDC Global Technology Development Center, Austria, Tel: +43 1 512 85 88, Fax: +43 1 512 85 89, E-mail: 100450,451@compuserve.com.

TRIVANDRUM, KERALA, INDIA

12-17 DECEMBER 1995

BAHAMAS OFFSHORE FINANCIAL SERVICES
AND INVESTMENT CONFERENCE

Sponsored by the International Herald Tribune with Bahamas' top Private Banks, Trust Companies, Mutual Funds, Investment Advisors, and Securities Firms. For investors, pension funds managers, lenders and all seeking a tax-free jurisdiction. Sponsors include The Royal Bank of Scotland, Coopers & Lybrand, Mees Pierson, and The Bahamas Investment Authority. Conference offers two days of speakers, two full days of private briefings with private bankers, trust officers and investment professionals.

Cost: US\$1,000 Conference fee plus special hotel and air rates.

Contact: Trevor Jackson • Fax: (407) 842-6938

PARADISE ISLAND, NASSAU, BAHAMAS

27 APRIL - 1 MAY 1996

International Hospitality Exposition and Conference Charlotte
Convention Center, Charlotte, NC USA
Where the World of Hospitality Comes Together.

Network and gain insight into key global trends at the opening day conference — the premier international forum for hospitality industry professionals.

Explore cutting edge technology at the trade show and discover new support systems and services critical for international competition.

Contact: Sally Kay • Tel: (704) 365 0913
Fax: (704) 362 2056

CHARLOTTE, NORTH CAROLINA, USA

TO ADVERTISE PLEASE CONTACT PARIS ON FAX: (33-1) 41 43 93 70

SPONSORED SECTION

SPONSORED SECTION

TRACKING TELECOMS

CUTTING THE CORD: THE WIRELESS FUTURE

From cellular telephones to multimedia systems to mobile offices.

The last 10 years have seen an explosion in demand for mobile communications services — and the speed of growth is accelerating. The global cellular subscriber base took 15 years to reach its present level of 50 million, but this could double or even triple in the next five years.

The success of mobile communications is beginning to have an impact on the fixed telecommunications market. In countries such as Hong Kong, Denmark and Sweden, few if any new fixed telephone lines are being installed; the overwhelming majority of new telephone numbers issued are for cellular or cordless subscribers. This trend is likely to continue. The mobile market has already reached 10 percent penetration of the global wireline network and could achieve 50 percent by the year 2005. The flexibility of anytime, anywhere communications is also having a marked effect on people's work and leisure activities, cutting the umbilical cord of the fixed telephone and offering greater freedom to organize time in a more efficient and useful way.

A cellphone in every hand

Although every sector of the mobile communications market is experiencing significant growth, nowhere is this more dramatic than in cellular telephony. The introduction of competition and the breakthrough to the mass market have been the two major factors in stimulating this growth. Telecommunications liberalization has become the battle cry of governments around the world, with some licensing two, three or more mobile operators to fight it out in the market-

place. The result of this frenetic competition has been to lower handset prices and tariffs, opening up the mass consumer market. Mobile phones are no longer the prerogative of bankers and whiz kids; they are everyday tools for everyone from mail deliverers to secretaries.

Mobile communications market forecasting is still a less than exact science, but there seems little doubt, based on today's growth figures, that the world cellular market will reach 200 million by early in the 21st century and could easily exceed 350 million by 2005. The mobile millennium will arrive sooner in some countries than in others. The Nordic countries are already experiencing 40 percent annual growth, and Seth Myrby of Sweden's Telia Mobil has predicted that 9 out of 10 Swedes will have a mobile phone by the end of the decade.

Standards, please

The development of common standards has also been a significant factor in stimulating cellular market growth. Incompatible analog networks inhibited international roaming and prevented suppliers from achieving economies of scale in terminal and infrastructure manufacture. The introduction of standards such as GSM (Global System for Mobile) has boosted the cellular market into a new phase of growth.

GSM is a remarkable success story. Designed to overcome the Tower of Babel that was the European cellular scene, GSM has become the de facto world standard for digital cellular. So quickly are new operators choosing

Continued on page 13



Mobile & Wireless Communications

With the cellular market predicted to double or even triple by 2000, mobile and wireless is one of telecommunications' most dynamic sectors. As wireless networks replace fixed-line systems and new technologies transmit mobile data, an untethered era in communications is at hand.

Inside

- Page 12 Paying taxis by card
- Page 13 Satellites
- Page 13 Asia's cellphone hunger
- Page 14 Eastern alternatives
- Page 14 Gulf demand
- Page 14 Handset designs
- Page 14 Paging
- Page 15 Competition between systems
- Page 15 Edge in South America
- Page 15 Speech digitalization
- Page 15 Cordless
- Page 16 Closing the telecoms gap
- Page 16 Lebanese reconstruction
- Page 17 In Australia's outback
- Page 17 Privatization in the U.S.
- Page 17 Mobile data
- Page 18 South Africa's "phone shops"
- Page 18 Japan bridges a gap
- Page 18 Niche in Asia
- Page 18 Cellular
- Page 18 An IHT/ETSI initiative

BEATING THEM, JOINING THEM: TELECOMS ALLIANCES

Service providers are snagging partners — to gang up on the competition.

With new subscribers signing up at the rate of 10,000 per day, GSM is well on the way to putting a portable phone in everyone's pocket. It can be hard to separate the hope from the hype when market researchers are confidently predicting that the wireless networks' installed bases will double in Britain, triple in Germany and France and quadruple in Japan by the year 2000. The predictions are probably an understatement.

"If you look at the figures for wireless, you'll find that even the most grandiose-sounding figures have turned out to be an underestimate," says a Gartner Group analyst, Nigel Deighton.

At one stage, for example, European market projections were based on Scandinavian data that presupposed a market penetration of 10 percent to 20 percent. The current figure for Sweden is now above 20 percent and, in parts of Finland, as high as 50 percent. According to MarketLine international research, wireless networks will have 110 million subscribers in the industrialized G-7 nations by 2000.

Sky's the limit

Looking further ahead, the sky's the limit for Jean-Philippe Haeg, a strategic planner with Alcatel's Mobile

Continued on page 16

ENCOURAGING FUTURE FOR MOBILE STANDARDS

As the mobile communications field diversifies, standards are converging.

It is likely that sometime between 2000 and 2005, the mobile connection rate will supersede that of fixed lines. This success will be underpinned by standards to ensure interoperability, low prices for handsets, an unprecedented range of services and features, and closer integration of fixed and mobile infrastructures.

The most successful mobile standard to date is GSM (Global System for Mobile), which is now the responsibility of the European Telecommunications Standards Institute (ETSI). "It is the only fully specified, open and proven digital cellular system worldwide," says Philippe Dupuis of France

Telecom and chairman of ETSI's Technical Committee Special Mobile Group (SMG). Operators and regulators in 77 countries have expressed a commitment to GSM.

Early phases

A version of the specifications supporting a subset of the planned services was set out in 1990 and known as Phase 1. Phase 2 was to be released a few years later as the complete and final version of the specifications. Phase 1 supports voice and data traffic, short messages and call forward-

Continued on page 12

We help you grow

ALCATEL

Come and see us at Hall 4 - Stand 320

SPONSORED SECTION

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS

IN TAXIS, NO MORE FUMBLING FOR LOOSE CHANGE

Mobile data networks are now making it possible to pay taxi fares with credit cards, with other new applications not far behind.

Less than 18 months ago, the world's first mobile funds transfer system was installed in 230 Sydney taxis. The forecast is that by the end of 1995, it will be operating in at least 6,000 taxis in Australia.

"Australia's technology pickup is extremely rapid," says Charlie Zoi, Telstra's group managing director, corporate international and resources. "As fast as we roll out the technology, we see a very high level of acceptance."

Launched 18 months ago, Telstra MobileData, which operates a specially designed and constructed wireless data-only network, now

has Australia's largest wireless data network in terms of coast-to-coast geographic coverage.

What it means

The real significance of the arrival of EFTPOS (Electronic Funds Transfer at Point of Sale) terminals in Sydney taxis is that this result of Telstra's focus on the development of applications for new wireless technology can be applied in many other growth areas.

"Telstra's experience in pioneering the EFTPOS system with MasterCard demonstrates that applications, and not the technology itself, will create markets,"

says Telstra's MobileData national product manager, Paul Schofield.

Mobile data technology allows subscribers who are roaming with a portable computer and a data modem to transmit and receive packets of data from a central or remote source. Applications, apart from EFTPOS, include e-mail, on-line computer inquiries, dispatch information and vehicle tracing. Such services can be attractive to corporations that are managing large sales or service field staff.

Substantial revenue

The first two dedicated mobile data networks in Australia are BellSouth's Mobitex service and Telstra's MobileData. Growth in subscriber revenue is expected to be substantial, but, as Mr. Schofield says, it will largely depend on the development of applica-

tions for the technology. An important part of the Telstra MobileData service, he says, is its adaptability to specific customer-developed applications such as e-mail, messaging, two-way paging and other EFTPOS applications.

One possibility is use in restaurants, where a waiter could present a customer with an EFTPOS terminal at the table to settle the bill. Similarly, couriers and home delivery services could hand customers a wireless EFTPOS terminal at their front door.

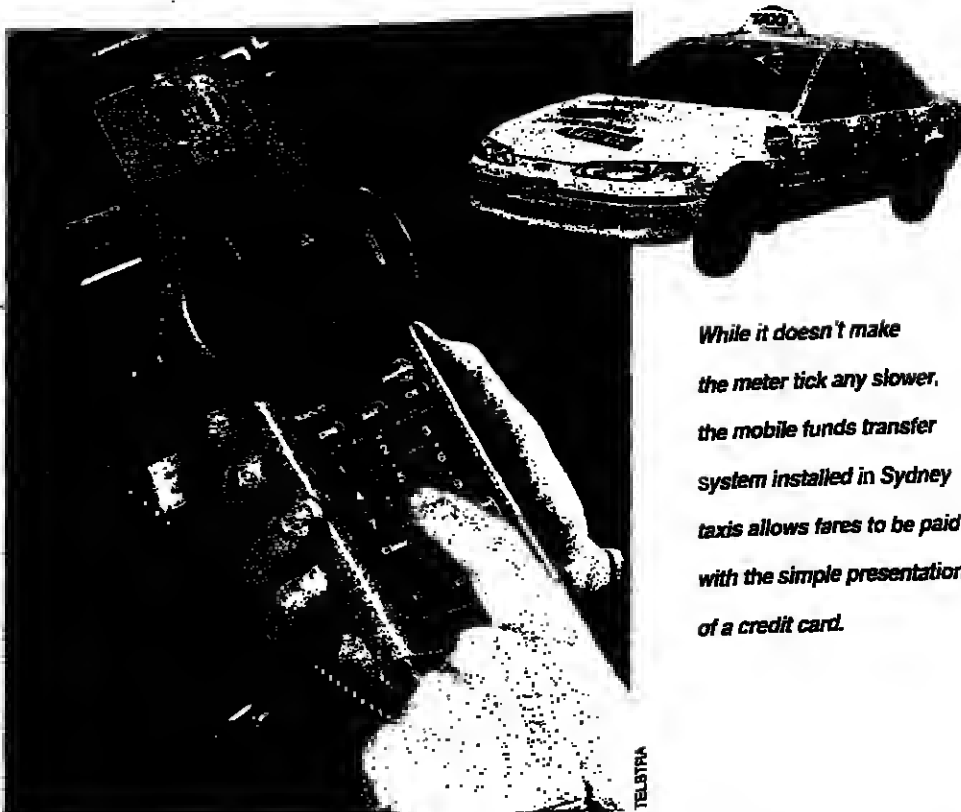
Mr. Schofield says Telstra has been working on applications with several Australian partners, including Ingenico, Microsoft, Lotus and OzEmail, to develop applications for wireless data technology. Australia is already leading the world in providing wireless access to e-mail, he adds. Through lo-

cal Internet service provider OzEmail, Internet users will be able to roam the world and take their Internet account with them, using the world's first full Internet access service via a wireless data network.

Australia's position as a world leader in the adoption of wireless data technology influenced Motorola to hold the world launch of its Personal Messenger wireless modem card last November.

Getting the message

The Personal Messenger enables users to send and receive electronic mail and faxes, access applications and information services and query and update databases via wireless-enabled applications. The card operates on Motorola's DataTACTM network and has already been introduced in Singapore, Malaysia, Hong Kong, Thailand and Canada.



While it doesn't make the meter tick any slower, the mobile funds transfer system installed in Sydney taxis allows fares to be paid with the simple presentation of a credit card.

Jon Moss, general manager of Motorola Wireless Data Group in Australia, says the Personal Messenger card will open up a new era in wireless communications and change the way in

which mobile users communicate.

Telstra's Mr. Schofield adds that the MobileData service operates on compatible frequencies with other similar DataTAC networks

throughout the North America and the Asia-Pacific. This can open up opportunities for international roaming and also create economies of scale.

Nigel Hopkins



Mobile Satellite

ALTHOUGH STILL VERY MUCH IN THE REALM OF tomorrow's technologies, mobile satellite communications is exciting considerable interest and investment from manufacturers and operators around the world. The idea of using satellites to provide global communications through handheld phones, rather than the suitcase-sized terminals currently available, has been around for some years. A major step toward realizing this concept was taken in 1992, when the World Administrative Radio Conference allocated spectrum for LEO (Low Earth Orbit) satellite communications systems. Interest in mobile satellite communications has grown on the back of the spectacular success of terrestrial cellular networks.

There are many areas of the globe where the provision of cellular coverage cannot be justified because of the sparse population and immense distances involved, but such locations can easily be covered by a satellite system. Although the introduction of the first mobile satellite communications system is at least three years away, the competition is already warming up. There are at least seven declared entrants in the race, some of which intend to concentrate their efforts on North America alone and three - Globalstar, Inmarsat and Iridium - which are planning to provide global communications through handheld terminals.

I.C.

ENCOURAGING FUTURE FOR MOBILE STANDARDS

Continued from page 11

ing and barring. Roaming between countries is possible wherever operators agree to support it, and security is better than that of any public fixed network.

Phase 2 is now complete, and handsets should be on the market at the beginning of next year. The most important new features include calling line identification, call hold/waiting, multiparty conference calls, closed user group and advice of charges.

Beyond GSM

In the meantime, the International Telecommunication Union (ITU) and ETSI have been working on specifica-

tions for the next generation of mobile services. The ITU's FPLMTS (Future Public Land Mobile Telephone Service) is to be a global standard for cellular, cordless, satellite and fixed applications, while UMTS (Universal Mobile Telephone Service) will be the compatible European version, using the experience of today's technology and exploiting all new developments.

Although both standards bodies acknowledge other technologies such as the American DAMPS (Digital Advanced Mobile Phone Service) and CDMA (Code Division Multiple Access), these and the Japanese stan-

dard are little more than radio interface standards and lack the advanced, secure roaming of GSM or the modular architecture to add on more services. Hence the future of UMTS is inextricably bound up with that of GSM.

GSM already fulfills many of the criteria of FPLMTS/UMTS, and ETSI's Technical Committee SMG is charged with providing a smooth transition to these advanced personal communications services. The next stage is designated Phase 2+, and work on it is already under way. It will include services such as call completion on busy signal, a private numbering

plan, hot billing and multiple subscriber profile.

SMG1 is also developing standards for network features such as optimal routing to minimize "tromboning" when roaming or call forwarding. Tromboning occurs when a call is routed in a long, expensive loop because the network does not know the actual whereabouts of the caller and called party.

A feature called CAMEL is also being developed that will allow subscribers to use their nonstandardized home services when roaming and is based on developing IN (Intelligent Network) techniques. The concurrent evolution of GSM and IN stan-

dards is vital if the functions are to be delivered.

GSM already has a specification for the use of SIM (Subscriber Identity Module) smart cards, which, once inserted into any GSM terminal, would allow users to access their normal services from wherever they are in the world and to be contacted there. It will be some years, however, before IN technology is in sufficiently widespread use for this feature to be fully exploited.

Packetized data

GSM2+ includes GPRS (General Packet Radio Service) to support packetized data transmission on the ra-

dio channel. GPRS straddles radio technology and network infrastructure facilities to carry e-mail and other data applications. There is great enthusiasm on both sides of the Atlantic for integrated voice and data communications infrastructure, and GPRS has the potential to fulfill that demand.

Finally, ETSI's CTM (Cordless Terminal Mobility) project is considering specifications for dual GSM/DECT (Digital European Cordless Telecommunications) handsets: DECT for use at home or in the office as a cordless extension, and GSM when outside or traveling.

Annie Turner

*"You have to communicate to stay in business.
But you don't have to stay in the office."*

BO HEDFORS, President & CEO, Ericsson Inc., Texas, USA.



Fast decisions sharpen your company's competitive edge. Out of reach can easily mean out of the picture - but an Ericsson mobile phone lets you respond quickly to your customers and keep in touch with your colleagues.

Ericsson makes it possible to communicate with anyone, anywhere, anytime - yet still respects people's need to divert calls or use an answering service to create pockets of privacy. Ericsson's systems provide these advanced features because Ericsson is a world leader in the development and implementation of systems for mobile phones, serving more than 40% of the world's cellular subscribers.

Ericsson's 80,000 employees are active in more than 100 countries. Their combined expertise in switching, radio and networking makes Ericsson a world leader in telecommunications.

It's about communication between people. The rest is technology.

SPONSORED SECTION

SPONSORED SECTION

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS

ASIA'S INSATIABLE CELLPHONE HUNGER

The Asia-Pacific market grew by 70 percent in 1994.

The number of cellular phone subscribers in Asia is predicted to rise from the current figure of around 10 million to 72 million by the year 2000. Fueling this boom are the region's dramatic economic growth, an abiding preoccupation with high technology and increased competition among cellular operators caused by market liberalization and the onset of new digital systems.

Another factor stoking the cellular revolution is Asia's insatiable appetite for status symbols. In many parts of the region, having a cellular phone by one's side is as crucial to overall image as being well-dressed.

Cellular phones have already become a pervasive part of modern culture in several Asian countries. Hong Kong yuppies crowd around a dinner table at a fashionable restaurant, in the midst of heated discussion – not with each other, but on their little black handsets. In Singapore and Malaysia, it is now standard procedure to ask patrons of the arts to switch off phones and pagers before a play or concert starts.

Annual growth in mobile phones continues in double-digit figures, despite the relatively high cost of handsets in many Asian markets. Telecommunications companies often cite differences in air-time charges, subsidies by network operators and network programming to explain discrepancies in hardware costs. But there is no doubt that deregulation and increased competition are finally bringing down costs in some key markets.

Price variations

In Thailand, Singapore and Bangladesh, handsets now cost between \$1,000 and \$2,000. In Australia the going price is about half that amount. In Hong Kong, competition is forcing prices below the \$1,000 barrier for the first time, with monthly fees expected to fall by 30 percent to 50 percent in the near future.

Japan currently accounts for 32 percent of the regional cellular market, but China is expected to represent 30 percent of the overall customer base by the turn of the century, ousting Australia from second place.

Most of the "big boys" of the telecommunications world are jockeying for position in China, including BT, Deutsche Telekom, Cable & Wireless, AT&T, Singapore Telecom and Hong Kong Telecom. Cellular telephones are seen as a quick and easy way to accommodate some of the demand for fixed telephone lines in China. According to the Asia-Pacific Telecommunity Yearbook 1995, more than 1.63 million Chinese customers are currently waiting for phones.



The portable phone, as much as suits and ties, is a must-have in Hong Kong's business district.

Cellular operators have not been as lucky in every market, however. For instance, the Telecom Corp. New Zealand has found it necessary to introduce new low-cost cellular service aimed at non-business users in order to expand its cellular services into the mass consumer market.

Telecom NZ is also entering the Australian market through a subsidiary called Pacific Star Mobile. Having secured a contract to manage telecommunications for the Western Australian government, Pacific Star Mobile will become the first independent provider of services on the cellular network of Telecom Australia. Despite its relatively small population in comparison with most Asian countries, Australia still offers significant growth potential, with the cellular market growing by an estimated 6,000 new connections a month.

Asian branches of global electronics companies are also expanding their customer bases through innovation and better service. The Singapore subsidiary of Hewlett-Packard recently launched a new "hybrid" product, based on the latest GSM (Global System for Mobile) handpiece technology, that combines handpiece and personal organizer functions. Julia Clerk

Alternatives From the East

MOST IMPROVEMENTS in the world's communication technologies have been motivated by the existing ones' shortcomings. This has been shown to be the case in Central and Eastern Europe, where a lack of reliable standard telephone connections has caused widespread use of alternative means of data and image transmission, including mobile communication systems, satellite-based networks, Internet and DAB (Digital Audio Broadcasting) data transmission.

Although the situation is improving, many local corporate and private customers throughout the region are still facing long waits for telephone and fax lines. Those who already have them must often contend with the busy signals, static and fade-outs still endemic to the regions' standard telephone systems.

As a result, interest in other methods of communication has been very strong. Estonian use of mobile telephones is on a level with that in Western Europe. The number and sophistication of VSAT (Very Small Aperture

Terminal) and other satellite-based telephone services offered in Prague exceeds those in many West European cities.

The number of Central and East European residents using the Internet – accessible in most of the region since early 1994 – has been growing at a rate of 3 percent to 4 percent per month.

From Russia with the latest

The most ingenious transmission method comes from the country with perhaps the longest way to go in improving telephone service in the region. Teiwas, a Moscow-based electronics institute, calls its method "radiotext." It is one of three major DAB data transmission projects now striving to establish themselves in Europe's markets.

All of these technologies employ the surplus carrying capacity created by the digitalizing of radio waves to simultaneously broadcast both standard programming and data. Now in operation in the greater Moscow re-

gion, radiotext conveys news and travel information to its subscribers, who receive it via specially created pickups attached to their PCs or laptops. The information received can be printed or stored in the computer's memory.

Teiwas predicts a bright future for its service. As corporate executives point out, radio broadcast is an unbeatably cheap method of attaining blanket coverage – an important point in these developing markets. DAB transmissions can also pinpoint specified groups and areas.

Radio technical characteristics and regulations will be the focuses of two conferences in Europe this month. From Oct. 23 to Nov. 17, industry and government representatives from over 180 countries will gather in Geneva to participate in the World Radiocommunication Conference 1995. The Radiocommunication Sector of the International Telecommunication Union will hold a meeting of its Radiocommunication Assembly in Geneva Oct. 16-20. T.S.

CUTTING THE CORD: THE WIRELESS FUTURE

Continued from page 11

the GSM route that the GSM memorandum of understanding, the global focus for GSM, has trouble keeping track. There are currently 138 existing or putative GSM networks in 77 countries, and estimates of subscriber growth are constantly being revised upward.

Cellnet's Mike Short, the current chairman of the memorandum, predicted 8 million GSM subscribers worldwide by the end of 1995. In just two months, this estimate had risen to 12 million, and Mr. Short admits that this figure could easily be exceeded. If GSM-based solutions are chosen by the majority of the new PCS (Personal Communications Services) operators in the United States, then rival technologies will not be able to mount a serious challenge to the domination of GSM.

The cellular success story tends to overshadow developments in other mobile communications sectors, but here, too, new technological solutions and increased awareness have triggered an upsurge in demand.

Voice telephony has been the major driver in mobile communications to date, but demand for data applications is likely to expand over the next five years. Technologies such as GSM are optimized for data transmission, and innovative solutions are being developed and offered to the business community. Fax, electronic mail, file transfer and database access are just a few of these applications, leading to the introduction of complete mobile offices.

In the longer term, users will be looking for wireless multimedia solutions that will combine voice and data with images and video. Reaching this goal will be

technically challenging and will require the development of new wideband air interfaces and user terminals able to support multimedia.

Unplugged

The area of cordless communications is also poised for rapid growth. Technologies such as DECT (Digital European Cordless Telecommunications) and the Japanese Personal Handy-phone System can be deployed in a variety of different applications. Cordless PBXs allow key staff to be constantly available to deal with customers and make decisions.

Domestic cordless telephones have proved enormously popular, and digital technology will offer improved speech quality and advanced features. Cordless communications can also be deployed to provide a low-cost two-way communications system for

dense urban environments. The use of wireless to replace copper cable in the local loop – the connection between the local exchange and the customers – is potentially the most exciting future area of growth.

The mobile communications story has barely begun. Over the next three years, mobile satellite communications systems will begin coming on-stream, offering the capability of seamless communications anywhere on Earth. Even technologies such as paging and private mobile radio, which have tended to be lost in the daze of cellular, will see substantial growth in focused market sectors. Engineers and scientists worldwide are already working on developing the next generation of mobile communications systems, pointing the way toward universal personal telecommunications. Ian Channing

"MOBILE AND WIRELESS"

was produced in its entirety by the Advertising Department of the International Herald Tribune.

WRITERS: Steven Bartlett in Paris, Ian Channing in Britain, Julia Clerk in Southeast Asia, Claudia Flisi in the South of France, Michael Frenchman in Britain, Nigel Hopkins in Adelaide, Peter Hudson in Lima, Michelle Magee in Tokyo, Joel Strone-McClure in the South of France, Terry Swartzberg in Munich, Annie Turner in Britain, Steve Van Beek in Bangkok, Curt von Keyserlingk in Johannesburg and Steve Weinstein in New York. PROGRAM DIRECTOR: Bill Mahler. TOMORROW'S SECTION: Entertainment.

TI DSP SOLUTIONS

We're creating a new generation of products for our customers. And theirs.

In the cellular phone industry, time-to-market is critical. So manufacturers are turning to Digital Signal Processing Solutions from Texas Instruments to help move a new generation of cellular phones quickly to market.

In fact, our DSP Solutions have enabled breakthrough features that offer low power consumption, digital compression for faster secure transmission and noise-free clarity. As standards like GSM, PDC and IS-54 continue to evolve, our DSP Solutions

road map will take the industry to next-generation products and beyond.

Nokia, one of the world's fastest growing cellular manufacturers, needed a cellular phone design that could be produced in any of their plants worldwide. So they turned to TI for an integrated DSP Solution that enabled them to make minor modifications in software and keypad features to get a global product to regional markets. Plus, our global manufacturing capability ensures on-time delivery and a rapid

ramp to volume in fast-paced markets. From wireless communications to multimedia, TI DSP Solutions are changing the way we live, learn, work and play. Today and for generations to come.

Visit us on the Internet at <http://www.ti.com>

EXTENDING YOUR REACH

TEXAS INSTRUMENTS

SPONSORED SECTION

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS,

THE MOST COMPATIBLE PHONE.

NOKIA 2110

Send a fax from a parking lot. Check your e-mail at a street cafe. Browse the Internet in an airport lounge.

The possibilities for cellular data transmission with your portable computer, together with a cellular service and a Nokia 2110 phone, are almost limitless.

With the right accessories, your Nokia 2110 will be compatible with most of today's portable computers - from PCs and Macs all the way to tiny palmtop organizers.

The Nokia 2110. The most compatible phone.

NOKIA
CONNECTING PEOPLE

<http://www.nokia.com/>

MOBILE NETWORKS FLOOD THE GULF

The Gulf states are working on a common roaming facility.

The demand for mobile and fixed lines in the Gulf states of the Middle East has been far outstripping supply, as billions of dollars worth of telecommunications contracts are awarded - \$4 billion for Saudi Arabia alone last year. With advances in technology widening the horizons of communications, the member states of the Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, the United Arab Emirates and Saudi Arabia) have agreed on a common international GSM (Global System for Mobile) standard.

In theory, this will eventually lead to roaming facilities among these countries. The United Arab Emirates and Bahrain are likely to be the first two states to utilize the facility, but because of national preferences, it may be some time before mobile users in all countries can talk to each other.

Siemens and Motorola are already building three of the first networks in the GCC states: Kuwait (100,000 lines), the Emirates (160,000 lines) and Qatar (25,000 lines). Siemens is also reported to have installed a private mobile network of some 12,000 lines in Saudi Arabia.

Pioneering
The first Gulf country to establish a GSM network was Qatar. Last year, Q-Tel, the country's telecommunications company, launched a 25,000-line network. Take-up of subscriptions has been slower than anticipated, partly due to costs and partly because of technical issues that are now being resolved. There are now more than 10,000 subscribers to GSM, and Q-Tel intends to offer

them various ancillary services.

Bahrain Telecommunications Co. (Batelco) has always been at the forefront of telecommunications in the Gulf. Last year, Ericsson was awarded the major part of a \$16 million contract to set up a GSM and TACS (Total Access Communications Systems) system, which came on line in August. This involved building 32 GSM and 32 TACS base stations, providing a total capacity of 15,000 GSM and 20,000 TACS lines. Ali Sahwan, Batelco's corporate affairs manager, says that at

present there are 2,750 GSM and 19,000 TACS subscribers.

to provide a 30,000-line GSM system with an option to add another 20,000 lines. This is in addition to a contract awarded to Ericsson to upgrade an existing 50,000-line TACS network to 66,000 lines. More than half of the available GSM lines have been taken up, and the figure is expected to reach 30,000 before the end of this year.

Saudi Arabia, which is by far the largest of the Gulf states in terms of population (more than 12 million) and area (2.3 million square kilometers), is the plum for GSM equipment suppliers

have been flooding in ever since subscriptions were opened at the beginning of the year. More than 130,000 applications with deposits of \$2,667 each have been received. Middle East Mobile magazine reported recently that the Saudi PTT said that if more than 300,000 applications were received, capacity would be extended to 500,000 subscribers and could be raised to 700,000. AT&T has been negotiating an additional \$800 million contract to provide another 300,000 lines. It is hoped that the first phase of the GSM system will be launched by the end of this year.

Since 1985, the Sultanate of Oman (population 2 million) has had a mobile automatic telephone system (PMATS) with 5,000 subscribers. This is to be augmented by a full-fledged GSM system, which the General Telecommunications Organization (GTO) hopes will overcome some of the shortcomings of PMATS in the second-largest GCC state. The GTO is currently evaluating contracts for the system, which is expected to have 5,000 subscribers during the first year and more than 30,000 after five years. The lowest bidder to date is Sweden's Ericsson, at \$22 million.

At present, options are open in the Emirates, where it appears there might be three separate cellular networks. The PTT Etisalat awarded AT&T and Motorola/Siemens two contracts for 30,000 lines in 1992. So many applications are being received that a third network is thought to be under consideration by the PTT.

Michael Frenchman



To enable Bahraini to speak to Bahraini, no matter where they are, a large number of base stations have been set up to communicate with satellites.

WHAT YOUR HANDSET SAYS ABOUT YOU

Mobile handsets are no longer just convenient - they are also becoming designer objects.

Conventional fixed telephones have been put through design's many paces for years, from Mickey Mouse kitsch to Giorgio Armani elegance. Until recently, mobile phones have been more resistant to fashion trends, partly because they were originally pitched to the conservative corporate customer.

That attitude is changing as the market for mobile phones enlarges and the reasons for buying one change accordingly. According to Margaret Rice-Jones, European products marketing director for Motorola's cellular subscriber division, "We find that security or safety of the spouse is one reason to buy a mobile phone these days. It becomes a dual purpose purchase, both for business and personal reasons."

In some European markets, she notes, the purchasers are split 50-50 between men and women. That's where brighter colors come in - they are seen as an extension of one's personality.

Color me busy

In response to these changes in the marketplace, this year Motorola launched its Flare line of mobile phones in five models and 11 colors. The colors were selected after extensive consumer research - with some surprising results. Ms. Rice-Jones reports that black showed up as the most popular color in testing (preferred by both sexes), followed at some distance by gray, blue and green. Women also liked white and dark blue, but men didn't. Yellow did not rank high in research, yet it has sold quite well. She attributes this to the sometimes marked variance between what people say in surveys and what they actually do in the store.

Color psychologist Dr. David Cowell, retained by Motorola to help the company develop the Flare line, explains: "Color selection reveals intimate details about the personality of the person. Red shows an aggressive, wild streak, while yellow tells us a person is quirky, fun to be with and not too serious."

Color is only one dimension of mobile phone design, albeit an important one. Ms. Rice-Jones declines to say how well its colored models are selling, or which colors are selling best, citing it as proprietary information. Other important considerations are size, weight and ease of use. Per Bengtsson, a spokesman for Ericsson, a world leader in the mobile telephone market, points out that today's handheld cellular phones are one-quarter the size, less than one-quarter the weight and can be used four times as long before recharging as the first models his company introduced in 1987.

Ease of use

Nokia phones from Finland are characterized by purity of style and practicality of use, including a large, easy-to-read display screen, a logical keypad layout for one-handed use, and a menu system designed to be user-friendly for simplified access to all functions and information. Hitachi's ultra-lightweight handheld cellular phone has multiple memory banks.

Malcolm Ross, a senior specialist for the consulting firm of Arthur D. Little in Germany, divides the mobile phone market between baby boomers, who are more interested in ease of use and reliability, and post-boomers, who are look-

ing for sophisticated, high-tech products. He specifies that men want robust "droppable" devices, while women want lightweight, stylish and even "wearable" ones.

Men tend to carry their mobile phones in suit or shirt pockets, while women usually keep them in purses or briefcases. This difference is often what dictates a preference some women have for "flip" models, which are seen as better protected. Ms. Rice-Jones says, "We don't test our phones in handbags with cosmetics, but we do subject them to rough handling in our Accelerated Life Testing laboratory." Years of usage are simulated with a barrage of extreme temperature changes, shock, humidity, rain, dust and falls.

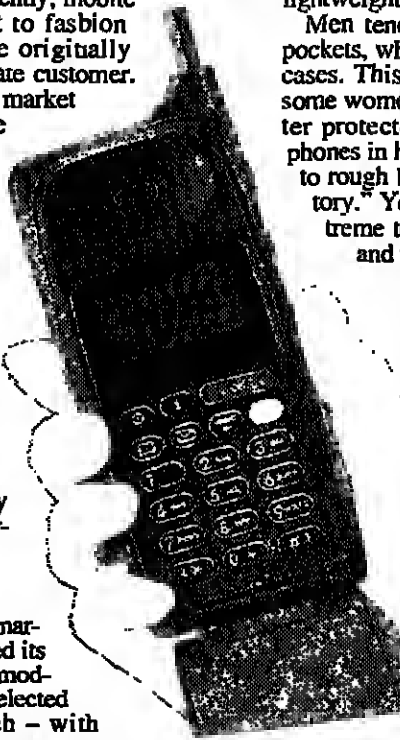
Limits

Mobile phone designers have also taken a lesson from the pocket calculator market. These devices got smaller and smaller until the consumer rebelled and stopped buying them. "If the keys are too small, people will wind up hitting the wrong key by accident," explains Ms. Rice-Jones.

National differences also play a role in customizing mobile telephones. The Flare line gives the user the option of personalizing the phone's ringer - with British, German and French ringer tones available.

Mr. Ross concludes: "The competitive battle for a mass market in mobile phones should be fought at the form technology." If that means yellow telephones and German ringers, manufacturers are happy to oblige.

Claudia Ffisi



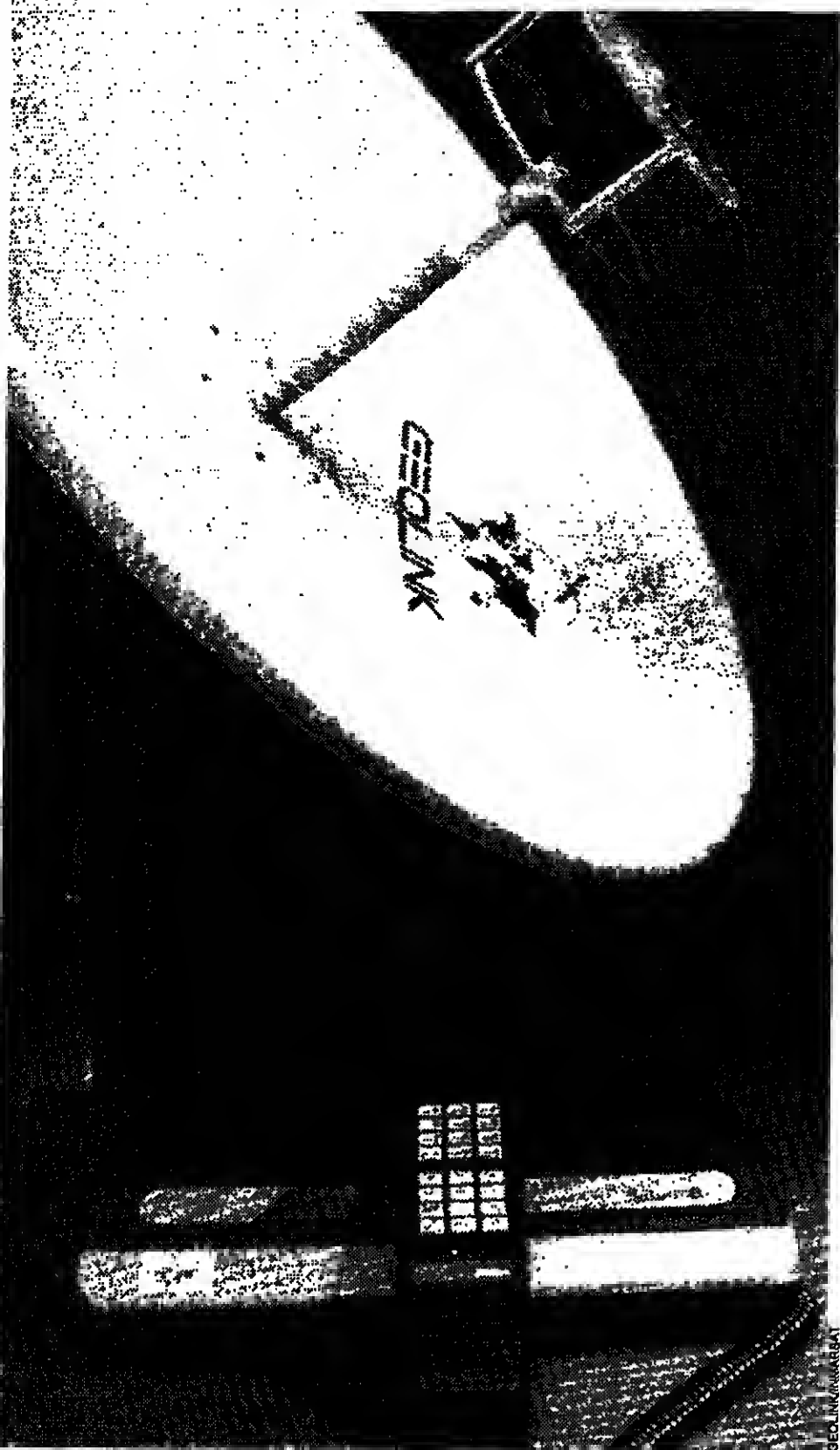
Paging

WIDE AREA PAGING is the simplest and longest established mobile communications technology, with a global paging subscriber base of 44 million. The operation of a wide area paging system is extremely simple. Users subscribe to a paging service and are issued with a lightweight, pocketable radio receiver. Contact with the subscriber can be through a human bureau service, through a PC or by using a touch-tone telephone. The messages are sent through national radio networks operating in the VHF/UHF bands. Despite its simplicity and effectiveness as a one-way messaging service, the paging market has not shown the explosive growth of other mobile technologies such as cellular. This is changing, with new services such as Calling Party Pays stimulating growth, and by 1999 there may be over 120 million paging subscribers worldwide. New technologies such as ERMES (European Radio Messaging Service) are being introduced, which will allow paging subscribers to move around the world and still be able to receive their messages.

I.C.

SPONSORED SECTION

TRACKING TELECOMS



From handset to dish to satellite to the world—the competitive factor is the cost.

SATELLITE SYSTEMS GEAR UP FOR WORLDWIDE COMPETITION

A constellation of consortia is vying for world domination in satellite services.

This new generation of mobile satellite service (MSS) providers promises handsets the size of a cellular phone as well as telephony and other services such as fax and data transmission from anywhere in the world at any time. According to the International Telecommunication Union, worldwide telephony penetration is about 11 percent and cellular 1 percent, so MSS has an enormous potential market.

This new generation of operators is able to provide smaller subscriber equipment by using satellites that orbit closer to the earth, hence requiring less power. Odyssey and Inmarsat-P are to use Mid Earth Orbit Systems (MEOS), which orbit at between 5,000 and 15,000 kilometers (3,100 and 9,300 miles) above the earth.

The players

Odyssey is owned by Teleglobe and TRW, and its intended markets are fixed wire telephony and the extension of existing cellular systems. It will use a network of 12 satellites; commercial service is scheduled for 1999.

The system will cost \$2.5 billion, and its handsets should cost 20 percent more than a standard cellular phone. Service will cost less than \$1 per minute.

Inmarsat-P is owned by 38 of Inmarsat's signatories and their subsidiaries. It plans to offer mobile voice, data and fax using 10 satellites (plus two spare ones). Commercial services will start in 2000. The system will cost \$2.6 billion and the

handset \$2,000 for dual-mode voice, which means it can be used as an ordinary cellular phone or for satellite communications. Service will cost \$1 to \$2 per minute.

The systems

Big LEOS, or Low Earth Orbit Systems, operate even closer to the earth, at 500 to 1,000 kilometers, and have attracted the most interest, being a new technology. Iridium, the best-known, is a consortium initiated by Motorola. Its partners include

Qualcomm, Airtouch, Alcatel and Vodafone, and they plan to offer mobile data and voice services for 65 cents a minute, using 48 satellites. The cost of the LEO system will be \$1.5 billion, and the handset will cost about \$1,000.

Teledesic's founders are Bill Gates of Microsoft and Craig McCaw, who set up McCaw Cellular in the United States. They intend to offer high-speed data and video to developing countries through a network of 840 LEO satellites, built and launched at a cost of \$9 billion. Service will be available in 2000. Subscriber units will cost \$1,000 for 64kbit/s service and \$6,000 to \$8,000 for 2Mbit/s. Service will cost 4 cents per minute.

Shakeout

It is highly unlikely that the market will support all of the above, and analysts predict that a maximum of three will survive the next 10 years, with Inmarsat-P and Iridium as the favorites.

Certainly the market for MSS is a moving target, with competition coming from all sides.

For example, the prime markets of India, Hungary, China, the former Soviet Union and others have already awarded large contracts for wireless local loop (WLL) installations.

By the time the MSS providers are ready to offer service, they might find it difficult to compete with WLL prices of \$500 per subscriber line.

A.T.

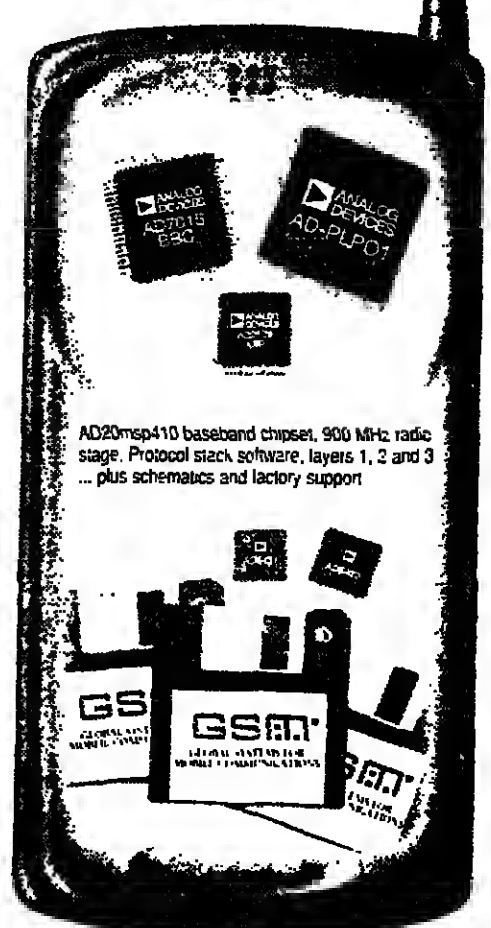
The new satellites

orbit close to the earth and require less power

Sprint, Korean Mobile Telecom and an impressive list of telecommunications operators and industrial companies from all over the world. Total capital now committed to the project amounts to \$1.6 billion, half the cost of launching the 66 satellites. Commercial operation is due in 1998, offering service at \$3 per minute. Dual-mode handsets will cost \$3,000. Globalstar's investors in-

See The Only Complete 3-V GSM/PCS/DCS Designer's Kit.

(Batteries Not Included)



Come see how you can offer a smaller handset, with a smaller battery and longer talk time with our 3-V system level solution. With complete software provided by The Technology Partnership, you have a turnkey design solution that will get you to market fast.

UK Pavilion, Booth number: 1.202B

For more information, call:
In Europe: (+49) 89 57 00 50
In USA: 1-800-ANALOG (262-5643)
Or E-mail: comms.dh@analog.com

ANALOG DEVICES
Analog, Digital, Solutions.

THE WIRELESS EDGE IN SOUTH AMERICA

Competition in Peruvian telecommunications hinges on the mobile market.

Tele2000 SA, Peru's number-two telephone company, expects to find by year-end a strategic international partner to give a new impulse to its wireless-based phone service, according to Eduardo Castro, the company's general manager. The company has hired Paine Webber Inc., New York, to weed out potential suitors, with one of the Baby Bells, possibly BellSouth or Southwestern Bell, favorites to take a joint controlling interest in the company.

The new partner would give Tele2000 the expertise and financial backing to compete on equal terms with its much larger rival, Telefónica del Peru SA, in what has so far been a largely one-sided battle.

Telefónica del Peru is controlled by Telefónica de España, Madrid, which last year paid a stunning \$2 billion for the Peruvian phone system and a monopoly on basic telephony until 1999. Since Telefónica also owns the Chilean and Argentine telephone systems, one attraction was certainly Peru's strategic location in South America. But there is also great growth potential. Peru currently has one of the lowest phone-per-capita figures on the continent, and Telefónica will spend another \$2 billion over five years to drag the system toward the 21st century.

Neck and neck

On the other hand, the monopoly that Telefónica bought has not proved particularly airtight. With around 20,000 subscribers, Tele2000 is running neck and neck with Telefónica



Calling home from a street in Lima—that's where the competition is.

in the mobile phone market, one of the few areas where competition was formally welcomed by the government. What was not foreseen is that Tele2000 would use its beachhead to eat into Telefónica's territory by offering cellular public phones and corporate phone systems using wireless technology.

Tele2000's expansion drive has often threatened to grind to a halt, however, with the company's owner, the local Delgado Parker group, lacking the financial muscle to offer effective competition to Telefónica. It was particularly hard-hit by the Mexican crisis, which forced it to abandon plans to raise fresh funds in the international market.

"The problem is that they have \$600 million to invest, and we have only \$40 million," Mr. Castro says. "If we can't get international financing we have to find a strategic partner."

Trading up

Financing is not the only motive. A top-class partner might even give Tele2000 an edge over Telefónica, an international analyst says. "Latin America is the only strategy Telefónica de España has," he says, "and its only justification is that they all speak Spanish. The measures of service in Spain are considerably worse than in Chile, so just where's the transfer of technology we've been hearing about?"

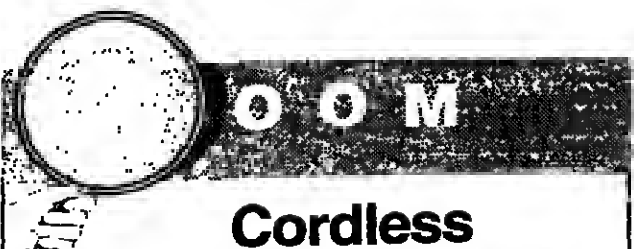
With that in mind, Telefónica is racing to install as many lines as it can to take up a commanding position before the market is formally opened to competition on June 27, 1999. "The biggest expense of a telephone company is fixed plant, things like ducts, cables, excavations to lay down fiber-optic cable," says Basil Fisk, president of Compañía Andina Técnica SA, Canteq, which is supplying Telefónica with some of its new equipment. "The Spaniards have bought the infrastructure, the satellite links, everything. In five years, they will be so well-established that their rivals will never be able to compete."

Wireless clout

However, sees things differently. "It would be difficult for us to compete head-to-head in the main business areas," says Mr. Castro, "but it will take them time to get cables to farther-flung areas, and we are strong there now with wireless."

The company is working on a Cellular Digital Packet Data system to handle data transmission, targeting especially point-of-sale systems and automatic tellers. "The problem for Telefónica is that a chain is only as strong as its weakest link," Mr. Castro says. "Its national network will be able to handle data, but at a local level it will have to cover the final stretch over 50-year-old copper cable. With microwave and coaxial cable, we can take 50 percent of the market for an investment of \$100 million."

Peter Hudson



Cordless

UNLIKE CELLULAR SYSTEMS, which are designed to be complete networks, cordless communications are based on air interfaces only, and are therefore able to interface directly with any type of network. The first applications of cordlessness were based on analog technology and were used to provide domestic telephone users with extended mobility within the home. These analog systems provided no speech security and were prone to interference.

Globally there are three second-generation digital cordless technologies—CT2, DECT (Digital European Cordless Telecommunications) and the Japanese PHS (Personal Handy-phone System). Cordless communications have expanded from the residential area and are now deployed in offices and in public access networks. In the office environment, the provision of cordless extensions on a PABX enables key personnel to be contacted wherever they are on the site. This is important in areas such as transportation, distribution, warehousing and hotels. A considerable proportion of corporate telephone costs are caused by staff ringing back customers or suppliers who have left messages, because the person they required was not at his or her desk. By providing key staff with lightweight cordless terminals that offer the full functionality of a wired desktop telephone, telephone costs can be reduced and customer service levels improved.

In the public-access situation, a network of cordless transmitters/receivers is set up in a city center or business district. Users can move freely within the coverage area making telephone calls—although receiving calls requires additional technology. Such systems are known as additional technology. Such systems are known as additional technology. Such systems are known as additional technology.

Telstra
Your Australian Telecommunications Partner

...the telephone any other way

As businesses turn to multimedia networking to communicate with their markets, Telstra is leading the way in connecting the world to the Asia-Pacific region through a variety of multimedia channels. We are building a world class digital broadband fibre/coaxial cable network. In a joint venture with News Corporation, entertainment services will commence on this network in late '95. Telstra is also developing a range of advanced interactive services, evolving to broadband as technology and the market matures. For global corporations, the network will provide access to multipoint videoconferencing around the Asia-Pacific region. In another joint venture, Telstra and Microsoft Corporation will provide an international on-line messaging, information and transaction service to Australia's PC users via our existing narrowband and ISDN networks, creating a global publishing platform and distribution channel for new and innovative products and services. With Telstra as your Asia-Pacific telecommunications partner, you can connect to the network technology of the future. Talk to us about your specific needs at Stand 7.317 at Telecom '95, or call Telstra in Australia from:

SINGAPORE 800 6161 341 • HONG KONG 800 4669 • MALAYSIA 800 4722 • INDONESIA 001 800 61 803 • THAILAND 001 800 61 4699 • PHILIPPINES 1 800 611 0076 • TAIWAN 000 61 1183 • JAPAN 0031 61 630
SOUTH KOREA 0070 61 1078 • CHINA 1000 3339 • NEW ZEALAND 0800 42551 • UK 08-00 11 325 5985 • SRI LANKA 94 1 305550 • VIETNAM 84 4 226 180, 84 9 791 075 • U.S. 441 171 028 2228 • U.S.A. 41 415 706 5951

GUSTO 442001 TEL 1-94

SPONSORED SECTION

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS

LEAPFROGGING
THE TELECOMS GAP

Mobile systems are bridging the communications gap between industrialized and less-developed countries.

The International Telecommunication Union now estimates that 4 billion of the world's 5.7 billion people still do not have basic telephone service. "The gap is a growing obstacle to global trade and economic development," says David Karimanzira, minister of information, posts and telecommunications in Zimbabwe. "There is a real concern that we may never catch up."

While some developing countries will almost inevitably be stuck on the shoulder of the information superhighway, one popular way to bridge the gap is to play technological leapfrog. Financing is always the primary obstacle — few countries can instantaneously install state-of-the-art telecommunications networks. But many are leapfrogging the communications gap today with wireless and mobile telephone systems.

Penny-wise

The European Bank for Reconstruction and Development (EBRD) recently commissioned a report from Coopers & Lybrand which indicated that wireless systems are the most cost-effective manner to develop or upgrade telecommunications networks in many areas where density is lower than 200 subscribers per square kilometer. Fixed wireless systems can be installed five to 10 times faster than wireline networks, which require considerable investment in infrastructure, and initial costs are comparatively small, increasing only as new subscribers are added to the network. "Wireless is a good way of

delivering access where otherwise there is no hope for 10 to 15 years," says Dan Stefanescu, a senior telecommunications engineer at the EBRD.

Fixed wireless networks, which provide service to customers from a radio station to antennas in homes or offices, perform just like the regular telephone, and industry pundits expect such networks to account for the majority of an estimated 400 million to 800 million wireless subscribers by the year 2000. They are already installed in Brazil, Chile, China, Colombia, Finland, Germany, Ghana, Malawi, Mexico, Russia, Spain, Sri Lanka, Vietnam, Zambia and other countries.

Cellular mobile telephone networks are, of course, also booming. Asia, where mobile telephony grew 80 percent last year, has overtaken Europe and North America as the fastest-growing cellular market in the world. "Wireless technologies are starting to develop into an effective alternative to traditional wireline communications networks," observes John E. Major, a senior vice president at Motorola.

Secure standards

Developing countries can also install systems with a little more security today due to increased standardization in the mobile telephony arena. "The products we standardize help bridge the communications gap because they provide lesser-developed countries with stable technology at lower cost from a variety of suppliers," says Karl Heinz Rosenbrock, director of the Euro-



In low-density phone line areas, mobile systems can bring telephone service to more customers, faster.

pean Telecommunications Standards Institute (ETSI), noting that the rapid growth of cellular telephony in Eastern Europe is largely due to the more than 100 GSM (Global System for Mobile) digital cellular system standards developed at ETSI. These are being reviewed and considered in more than 100 countries.

The wireless revolution also inspires competition and brings new players into the game. A number of local companies in Russia, for example, are planning to integrate Russia's cellular network to enable nationwide roaming.

The future for wireless telephony, in both developed and less-developed countries, is likely to involve mobile satellite systems that will provide wireless telecommunications to areas not covered by terrestrial systems as well as a link for customers who roam beyond the area covered by a cellular network.

Though there is a continuing debate about how to pro-

vide telecommunications capabilities to less-developed countries, the goal of wireless communications will not necessarily translate into a telephone for everyone to completely eradicate the communications gap.

Limits and freedoms

"Developing countries should realize that providing universal service to the entire population will be too expensive," says Eric Almquist, a director of the Boston-based consultancy firm, Mercer Management Consulting. "They must instead concentrate on customers who will be profitable early, or they will simply go broke."

The explosion of wireless communication will almost certainly have political ramifications. "The political and social implications are unimaginable, because the technology will simply wrest control from government and institutional leaders," says one observer in Beijing.

Joel Stratte-McClure

LEBANESE WIRELESS RECONSTRUCTION

Modern technology has helped to overcome the infrastructure damage caused by the years of war.

The Lebanese have leapt into the age of the mobile telephone, which has become the lifeline for all business communications following the destruction of the fixed-line system after 17 years of civil war.

Until fairly recently, it was easier to call a number in Beirut via the cellular network in New York than to dial a local number in a neighboring street. When it is completed, Lebanon's system will be one of the most advanced GSM (Global System for Mobile) systems in the world, with some 600,000 lines — equivalent to one mobile for every fixed telephone line in the country.

In June, with the first stage of a \$30 million contract shared between France Telecom and Libancell early in place, Prime Minister Rafik Hariri appointed Al-Fadi Chalak, former chairman of the Council for Development and Reconstruction (CDR), as the new minister of posts and telecommunications.

Mr. Chalak's job has been to deal with early teething problems in the GSM system and to ensure that the reconstruction of the nation's telecommunications continues with all urgency. The total contract value for fixed and GSM systems is worth \$500 million. It has been broken down into various sections shared between Siemens, Alcatel and Ericsson. The latter is providing half of the 100 base stations needed for the GSM network.

From scratch

Virtually the whole of Beirut's infrastructure, including telecommunications, was wiped out by the war, and the CDR has had the unenviable task of bringing it back to prewar levels as soon as possible. After initial delays about contracts, the mobile communications section was awarded last year.

France Telecom Mobiles Liban (France Telecom Mobile International is the major shareholder, together with other private investors) and Libancell

(Telecom Finland International has 15 percent; the rest is private Lebanese investment) are constructing two GSM systems, each of which will have 50,000 lines in the first phase. By summer, approximately 30,000 subscribers were on line, compared with only about 6,000 in 1994. France Telecom hopes to cover the whole of the country by the end of the year. There is an annual subscription fee of \$500 for connection to the service, plus a monthly rental fee and call charges whose tariff is fixed by the government, which takes a share of the revenue.

The most interesting thing about the France Telecom contract is that it was one of the first to be awarded on a build-operate-transfer system. "This is a very rare event," comments Lionel Coussi of France Telecom in Beirut. The initial contract is for 10 years, with an option for another two years at the discretion of the contractor.

M.F.

BEAT THEM, JOIN THEM: TELECOMS TIES

Continued from page 11

Communications group. Wireless, he points out, complements wired technology. Digital standards such as GSM and DECT provide greater capacity for more subscribers, but they are not intended to replace every other alternative.

Ernst Eidenberger, director of communications for Alcatel Mobile Communications in Europe, adds, "We are showing some new things that respond to the market needs of both mobile and wired operators," pointing to the company's GSM pay telephone as a viable alternative in places where the laying of wire is difficult.

In 10 years, the next generation of global communications networks may conceivably link 250 million mobile subscribers. Meanwhile, with 10 million of them due to become GSM subscribers by the end of the year, alliances are the order of the day.

Herbert Ungerer, head of telecommunications services in the European Union's competition division, predicts the latest wave of cellular competition will lead to the telecommunications sectors' liberalization well before Brussels' 1998 deadline.

In France, for example, the mobile

phone network SFR is France Telecom's third-biggest customer, and it was obliged to spend 35 percent of its receipts on leasing lines from the national monopoly in 1994.

Générale des Eaux, which has a 46 percent stake in the SFR mobile telecommunications network, is also the country's second-largest cable television operator.

To counter the upcoming competition of mobile newcomer Bouygues, Générale des Eaux has also established a strategic alliance with the energy-based conglomerate RWE, Germany's sixth-biggest company. RWE, in turn, is planning to apply for an operator's license and is reportedly talking to AT&T in pursuit of a potential international partner.

Plans to accelerate the liberalization process in Germany, Europe's largest national market, have sparked off a flurry of activity.

The energy group Veba is staking \$6.5 billion on its bid to gain 10 percent of the market at the head of a consortium with steel giant Thyssen, Bell-South Enterprises of the United States and Britain's Vodafone.

Cable & Wireless has a 45 percent stake in Vebacom, a joint venture with

Veba that has been reportedly talking to IBM and STET. The strategic alliance's plans to set up a pan-European mobile phone business were given an EU go-ahead in August.

The Viag group has announced that it plans to apply for a fourth national mobile license next year. The company, which set up a Concert joint venture with BT in April, is reportedly considering an alliance with state-owned rail operator Deutsche Bundesbahn.

Hermes, a joint venture between the U.S. developer Global Telesystems Group and the Hitrail consortium of railroad companies, already has plans to install a cross-border communications network by laying fiber-optic cable alongside Europe's rail lines.

In the United States, having acquired the McCaw cellular network's 5 million subscriber base, AT&T has invested \$1.68 billion in personal communications services licenses.

Sprint is spinning off its cellular business and also going into PCS technology by building a \$5 billion coast-to-coast wireless network with three of cable television industry's major players.

Steven Bartlett

THE VISION
To sight excellence in the world of telecommunications.

THE QUEST
To reach for the summit, wherein perfection lies.

THE DELIVERANCE
A range of multi-faceted quality products & services to enhance your life.

THE ACHIEVEMENT
Recognition as a leader throughout the four corners of the world.

SHAPING THE WORLD OF TELECOMMUNICATIONS.
TO MAKE YOUR WORLD A BETTER PLACE.

Sapura

Shaping the world of Telecommunications

SAPURA TELECOMMUNICATIONS BERHAD (Singapore) Limited, 100, North Bridge Road, Singapore 078000
Tel: 434-1571 Fax: 434-1572 Telex: 311222 PRECOM



Tour the world of communications via the International Herald Tribune

"Tracking Telecoms: A Virtual Tour of the World of Communications" is a multimedia CD-ROM produced by the International Herald Tribune as an extension of the telecommunications megatrends published in seven Sponsored Sections during the Telecom '95 show held in Geneva.

Designed as a practical and easy-to-use guide for telecom professionals and interested consumers, the CD-ROM, which runs on PC and Mac, provides a broad range of information in an upbeat and friendly format.

Information about the following topics is available in detail:

- Corporate Networks
- Mobile & Wireless Communications
- Entertainment
- Broadband Communications
- Communications & Computing
- Personalized Services
- Network Management

In addition, the CD-ROM provides four databases that are cross-referenced with each of the seven topics above. These databases contain valuable market information concerning over 800 companies, 220 countries, several thousand telecom standards titles and hundreds of technical terms.

For a free demonstration, see us at Telecom '95, Stand 7.111/27.

ORDER YOUR CD-ROM TODAY

Tracking Telecoms is an initiative of:

- International Herald Tribune
- European Telecommunications Standards Institute

Sponsored by:

- Alcatel • Telstra • Texas Instruments
- France Telecom • Ericsson

In association with:

- International Telecommunication Union
- Australian Telecommunication Standardization Committee
- Standards Committee T1 Telecommunications (U.S.)
- Telecommunications Standards Advisory Council of Canada
- Telecommunications Industry Association (U.S.)
- Telecommunications Technology Association of Korea
- The Telecommunication Technology Committee (Japan)

In collaboration with:

- Institut de l'Audiovisuel et des Télécommunications en Europe

Please send me _____ copies of the "Tracking Telecoms" CD-ROM at U.S. \$150, including postage and handling. Available November 1995. Allow 3 weeks for delivery.

Name (in block letters) _____
Job Title _____
Company _____
Address _____
City/Code/Country _____
Telephone _____ Fax _____
Payment is by credit card only:
☐ Access ☐ Amex ☐ Diners ☐ Eurocard
☐ MasterCard ☐ Visa
Card No. _____ Exp. _____
Signature _____

Company VAT No. _____
Send coupon to: International Herald Tribune Offers,
37 Lambton Road, London SW20 0LW, United Kingdom or fax: (44 181) 944 8243.

SPONSORED SECTION

SPONSORED SECTION

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS



Australia's renowned Uluru, far from fixed lines, is now accessible by cellular coverage.

DIRECT LINE TO THE DREAMTIME

Digital cellular phones have brought cutting-edge telecommunications to Australia's most remote outback.

A digital cellular phone being used at Uluru (Ayers Rock) is starting proof of the breadth of cellular network coverage across this enormous continent. Although one of Australia's most famous landmarks, the 600-million-year-old Uluru is also one of the most remote tourist centers in the world. The nearest fixed phone line is at Alice Springs, 478 kilometers (296 miles) away.

By the end of this year, Telstra's MobileNet digital network will be one of the world's biggest in terms of geographic coverage; its analog coverage is already the world's most extensive. Telstra is one of three carriers providing analog and digital mobile phone services — the others being Vodafone and Optus — to the fast-growing Australian market.

Sales figures of around 70,000 a month mean that more than 2 million Australians, or about 13 percent of the nation's population, have gone mobile. By the end of the century, this figure is expected to grow to more than 4.5 million, or more than 20 percent of Australia's population, with a rapidly increasing trend toward digital.

Sweeping

"Telstra's mobile business grew by more than 70 percent last year," says Telstra's mobile communication services managing director, Ian Shiers. "This added more than one

million new customers to our analog network in 15 months, giving us the second-highest penetration rate in the world after Scandinavia."

Telstra's nine-year-old analog network now reaches 89 percent of Australia's population. Its digital cellular network is also the nation's largest, reaching about 87 percent of the population, and is expected to equal analog coverage by the end of the year.

Digital coverage is also available in some areas that have not had analog network access, demonstrating Telstra's commitment to expanding its digital service following the Australian government's decision to phase out analog services by the year 2000.

Telstra's MobileNet also offers a package of network services, including international roaming in 150 cities in 27 countries, a two-way paging service called MobileNet Memo, a voice mail service on both analog and digital, a computer message service and a fax and data service for digital cellular launched in August this year.

"Telstra MobileNet is now emerging as a key player in the global mobility market," says Mr. Shiers. "We have MobileNet networks in Sri Lanka, and will soon in India. Telstra was the first carrier to make a cellular call in India, despite intense competition from some of the world's biggest phone companies."

N.H.

MORE U.S. SPECTRUM GOES ON THE BLOCK

On sale soon by the FCC: 900 MHz frequency for specialized mobile radio services.

The U.S. Federal Communications Commission is continuing its recent policy of selling off pieces of the radio spectrum with its auctions of SMR (Specialized Mobile Radio) service. Observers consider it highly unlikely that the auctions of the SMR, with a frequency of 900 megahertz, will bring in anything close to the estimated \$7 billion earned by the auctions of PCS (Personal Communications Services) spectrum last year.

Nevertheless, the SMR auctions will undoubtedly attract many of the major players in the telecommunications field. While SMR, because of its relatively limited allocation on the spectrum, cannot provide the full range of PCS services, it does include such wireless services as specialized dispatch, two-way paging, interconnected voice transmission and a few other services that can compete with cellular and PCS.

Wide-open spaces

The 900 MHz service was established in 1987, but the older licenses were confined to limited service areas. By contrast, the upcoming auctions will open up services to 20 licenses in each of 51 contiguous Major Trading Areas, which together cover the entire United States. For example, the Los Angeles MTA extends all the way to Las Vegas, Nevada, and the New York MTA meets Boston's. In fact, MTAs are bigger than regional cellular phone areas. Also, with cellular areas, there are gaps in rural areas, whereas there are no coverage gaps in SMR MTAs. All successful bidders will have to cover most of their service areas within three years of having been awarded their licenses,

but they can stretch the time to five years if they cover two-thirds of the population by then or at least prove they are providing "substantial service."

The form of the auctions themselves will resemble other recent FCC auctions, i.e., simultaneous multiple-round auctions. But some see potential for problems in the lack of standards within the 900 MHz spectrum. "We are not engaged in any standardization for SMR," says Eric Schimmel, a technology expert with the Telecommunications Industry Association in Washington. "We have

made overtures over the years, but that industry never came to us. Generically, with these services, the FCC is not willing to mandate the operability of the services; they would not take a position. They want the marketplace to make its choice." As a result, there are six PCS standards — not necessarily interoperable.

Whatever works

The American Mobile Telecommunications Association, the Washington-based trade group that represents companies providing SMR services, on the other hand, sees no problem with a lack

of equipment interoperability. "Once you have spectrum positions, you can put in whatever works. The auction winners will likely be people already within the 900 band," says Jill Lyon, director of regulatory regulations for the AMTA. "Some companies would like to expand into a wider [service] area. There will also be some successful mobile data networks."

As for the companies that will participate in the auctions, Ms. Lyon says, "We are expecting that incumbent licensees will be very active and fairly successful in the auctions." These were the companies originally licensed when the FCC approved the establishment of a 900 MHz service back in 1987. "This is actually Phase Two of a proceeding started a long time ago," Ms. Lyon adds. "These people are finally being given a chance to expand."

In 1987, the licensees were granted limited service areas, not entire MTAs. Any new company granted a license, however, will have to be located at least 70 miles away from any original 1987 licensee's station. The original licensees will be allowed to retain their 1987 service areas, but will be confined to those areas.

It is generally agreed that, regardless of who purchases the licenses, the auctions are not likely to bring in anywhere near the amount of the more versatile PCS auctions.

"If they're expecting the same kind of money as a PCS auction, they will be disappointed," Ms. Lyon comments. "There is no comparison between the spectrum."

Steve Weinstein



EVER SINCE CELLULAR TELEPHONY was introduced, there has been a demand for non-voice services. Although ordinary telephone service meets the majority of user requirements, there is a growing need, particularly from the business community, for data services like faxes and electronic mail. The first-generation analog cellular technologies were able to support limited data applications, but the introduction of genuine data-over-cellular functionality required the move to digital standards like GSM (Global System for Mobile).

The last five years have also seen a rapid expansion in many countries within Europe of dedicated mobile data networks. These use proprietary technologies to provide targeted solutions for particular applications. Mobile data operators are licensed to provide national radio networks, which can be accessed by customers to provide two-way data communications. Users are typically companies that need to communicate with a number of field staff and that require more than just voice services, such as service companies that send call information or technical data to their engineers or utilities that need to collect telemetry information. This market has been slow to take off, due mainly to the need to develop specific solutions for every user. There are indications, however, that the dedicated mobile data user base is growing strongly and that the technology will provide a useful service in the future.

L.C.

France Telecom

Global networking

partnerships

to keep

you

in the lead

virtually

anywhere

We're working in tandem with partners to bring you seamless services worldwide.

In the world of telecommunications, connectivity is the name of the game. Between people. Between networks.

Between countries. Between sites. One of the most important connections you can make is with France Telecom and its strategic partners.

We're working together in the pursuit of pure customer satisfaction. And providing the world with the ultimate in connectivity — seamless global telecommunications.

We're working hard to keep you in the lead.

Join us at Telecom 95 - Hall 5 - Stand 5-251.

In touch with your future



France Telecom

TRACKING TELECOMS

MOBILE & WIRELESS COMMUNICATIONS

SOUTH AFRICA DISCOVERS
'COMMUNITY PHONE SHOPS'

Cellular phones are bringing telecommunications to disadvantaged South Africans.

South Africa's previous white-dominated government granted licenses to the country's first two cellular telephone network operators, Vodacom and MTN, in 1993. But before it came to power in 1994, President Mandela's African National Congress threatened to cancel the licenses unless the licensees used their technology to help the black population. This stimulated both companies to generate ideas that break new frontiers of cellular technology and applications.

The licenses were granted after Vodacom submitted a package that includes, among other things, placing 22,000 cellular phones in underdeveloped areas; MTN's package includes placing 7,500 cellular phones.

Phone shops
Vodacom is establishing more than 2,000 "community phone shops" made from refurbished shipping containers fitted out with a reception area and 10 private cubicles, each containing a cellular phone. These look like fixed-line instruments, but the calls are transmitted by cellular technology. There is a dearth of fixed-line phones in South Africa's disadvantaged areas, partly because copper cable—sometimes several hundred meters at a time—often disappears almost as soon as it is laid.

Vodacom's scheme also provides opportunities for emerging entrepreneurs to run the community phone shops. They receive free training in bookkeeping and the operation of phone shops, and are not expected

to contribute toward the capital cost. The walls of the shipping containers are marketed as advertising bill-

The new scheme has provided help for disadvantaged areas—and opportunities for entrepreneurs

boards, which provide further revenue for the phone shop operators.

Smart cards
MTN has developed what it claims is the world's first GSM (Global System for Mobile) pay phone to use a prepaid smart card, similar to a credit card, in which a microchip is embedded. The cards are sold for cash, and reach the consumer through a network of distributors that includes small shops and unlicensed taverns in the informal sector. The MTN cellular pay phones look like conventional pay phones, but work only with the prepaid smart card.

Chief executive officer of MTN, John Beck, says MTN and Vodacom subsidize these services heavily. Charges to the public are about half of those for conventional fixed-line calls and about one-sixth of those for conventional cellular calls.

Both companies have built in generous margins for the entrepreneurs in their schemes, which means their revenues on a call are less than the interconnect fees they pay to Telkom, the government-owned tele-

communications monopoly. Both companies also bear all capital costs.

This is unlikely to burden them in the long run, as these phones will constitute a minute percentage of the total cellular market in South Africa, which is growing fast even by cellular phone standards. The services began officially in June last year, and by the end of March this year 330,000 subscribers were on line. A figure of 500,000 is expected by March next year, compared with the 450,000 originally expected by the year 2004.

Capital expenditure by the cellular telephone industry is currently higher than that of any other industry in South Africa.

Curt von Keyserlingk

JAPAN'S HANDY-PHONE BRIDGES CORDLESS/CELLULAR GAP

The Japanese Personal Handy-phone brings mobility to the masses—at a price much lower than that of cellular phones.

The development of Japan's PHS (Personal Handy-phone System) started just five years ago. But 10 years from now, the number of users could top 20 million.

PHSs are inexpensive pocket phones that operate on a new cellular standard and simplified digital portable technology. They were introduced to the Japanese market on July 1.

Some 33 licenses in 11 regions have been granted so far. Operators include DDI Tokyo Pocket Telephone Inc., DDI Hokkaido Telephone Inc. and NTT Central Personal Communications Network Inc. Tokyo and the northern island of Hokkaido now have the service. ASTEL Kansai Corp., for instance, will soon offer the PHS in Osaka as well.

On the bandwagon

"Other service providers will start their services this fall or by next spring," says Tadatoshi Okada, chairman of the Personalized Services Working Group for Japan's Telecommunications Technology Committee and researcher at Nippon Telegraph & Telephone Corp. (NTT). Current estimates put the initial number of subscribers at 81,000, says Mr. Okada.

Says H. Yagata, president of San'yo audio-video business headquarters, "Market forecasts indicate that up to 38 mil-

lion PHS units will be sold by the year 2010. As people become familiar with the benefits of PHS, we can expect demand to expand rapidly." San'yo is producing PHS units at an initial rate of 50,000 a month. The phones are popular with users in crowded commercial and residential districts of Japan who are looking for convenience and low prices.

Fish and fowl

The basic concept of the PHS is that it should serve as a portable phone outdoors and a cordless phone indoors. Costs are lower than for cellular phones because the range, or area in which it can be used, is limited. The system relies on low-cost outdoor base stations covering an area of several hundred meters. The phones have very low transmitting power.

This means the PHS units cannot be used on trains or in moving cars. Nor can they be used to call traditional cellular phones or make international calls. Improvements are under

Cellular

THE CONCEPT OF CELLULAR TELEPHONY was born in the Bell Laboratories in the 1960s, but the technical capability was not available to develop such systems until the late 1970s. Cellular telephony, as the name indicates, is a radio communications system in which a country is covered by a series of contiguous "cells," within which are base stations providing two-way communications for subscribers within the cell. Cellular networks are complete systems. The voice traffic is carried to and from the base station through dedicated links and switched through special switching nodes. A mobile-to-mobile call never utilizes the public switched telephone network.

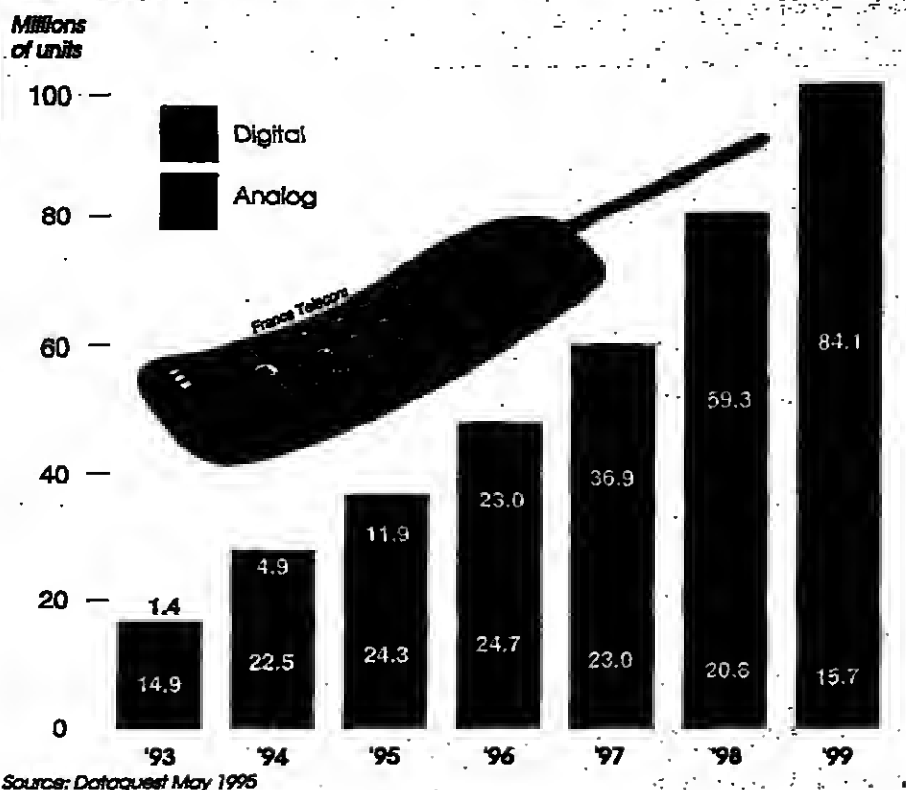
The first cellular systems were designed for installation in vehicles, and were necessarily heavy and cumbersome. Over the last 15 years, however, an immense amount of research and development has been devoted to cellular terminal design. Today's portable phones are lightweight, can easily be slipped into pockets or bags, and offer extremely lengthy talk times thanks to advances in battery technology.

The first generation of cellular phones used analog technology that, although perfectly acceptable, was not able to fully support advanced services such as data transmission. In addition, a number of different and incompatible analog standards were adopted around the world, which meant that a subscriber in the United States, for example, could not use his phone to call Britain, France or Scandinavia. In the late 1980s, it was decided to move to digital cellular, which could provide the features and functionality that the market was demanding. The most successful digital cellular standard has been GSM, the Global System for Mobile communications.

I.C.

THE DIGITAL FACTOR

Digital technologies are predicted to be the driving force behind cellular phone production through the end of the decade, accounting for more than four-fifths of the market by 1999.



CT-2 FINDS COMFORTABLE NICHE IN ASIA

CT-2 based systems are booming in Asia, where the subscriber base is estimated at 300,000.

Second-generation cordless telephone (CT-2) systems were introduced in Asia three years ago, immediately bridging the gap between cellular users and those who could only afford to carry a mobile phone.

CT-2 handsets look just like cellular phones. Calls can be made as long as the user is positioned within the designated distance from a base station—strategically positioned to blanket a given cityscape. The major difference is price: CT-2 users pay a fraction of the cost cellular users pay for hardware and operation.

Since 1992, these digital, low-capacity cordless phone networks have achieved

their biggest beachheads in Hong Kong (85,000 subscribers) and China (50,000 subscribers). They are also popular in Singapore, Thai-

land and Malaysia, with imminent launches in the works for South Korea, Taiwan and India.

The popularity of cordless systems has brought a problem: the collection of payment

land and Malaysia, with imminent launches in the works for South Korea, Taiwan and India.

Outgoing
One big drawback of CT-2 when it was first introduced was that it was a one-way system—users could dial locally and internationally, but

they could not receive incoming calls, even from nearby sources. In an effort to solve this problem, some CT-2 systems were sold

still lags behind cellular phones in some important respects. The handsets have shorter transmission ranges, with use limited to urban areas. Nor can they be used when standing still or riding in a vehicle going less than 8 kilometers (5 miles) an hour.

Another issue facing CT-2 service providers—especially in larger countries—is the collection of payment for its services.

In Taiwan, providers are concerned that it will prove uneconomical to hire people to collect fees door-to-door, and they are encouraging the use of direct-debit payments from customer banks.

In Hong Kong, service provider Chevalier Telepoint has teamed up with the Shanghai Commercial Bank to launch the Telepoint MasterCard, a credit card that automatically looks after monthly CT-2 charges.

More niches

In addition, CT-2 providers are facing competition from newer technologies. In Hong Kong, there is now another alternative to keeping in touch: Pacific Link's Walking Phone, launched earlier this year. Walking Phone is aimed at customers who are dissatisfied with standard CT-2 services but who do not choose to trade up to a fully digital mobile telephone service.

Walking Phone offers similar functions to the CT-2, but is fully mobile as a standard cellular system and allows for the placing of phone calls for an extended distance beyond the usual closed sphere from transmission base stations. The handset can also be used as a pager—the user hits a single button after an incoming page and is immediately connected with the caller. Walking Phone costs just \$988 Hong Kong dollars (\$127) with a trade-in of a used CT-2 unit—one of the lowest prices for mobile telephony in the region.

Paging, for its part, remains a significant sector in Asia. Malaysia's Sapura is the domestic market leader, with extensive digital paging coverage of the west coast of Malaysia, using its own operating system developed by its research and development company.

Julia Clerk

BILLING and CUSTOMER CARE
for Wireless Networks

Complete solutions based on the Business Support and Control System (BSCS) product support a wide range of billing and customer care needs. Flexible tariff models including a modular tariff to support the use of different digital communication and optional point-to-point packages. Open client server architecture that supports different hardware platforms and database integration services to guarantee full functionality in your environment. Planning, commissioning, training and operation support.

For more information contact:

P.O. Box 10 04 92
D-64204 Darmstadt, Germany
Phone: +49 6151 3600
Fax: +49 6151 060131

4000 Breakers Road
Suite 200
Avenel, NJ 07001, USA
Phone: +1 412 333 2000
Fax: +1 412 333 2000

Choose passion, choose progress, choose Motorola.



You have a vision. We have 130,000 people who will help you communicate it. Each and every one of them is committed to bringing you the best in semiconductor technology and wireless communications. We're Motorola—and you couldn't make a better choice. Visit us at Telecom '95. You'll find us in Hall 5, Booth 340.



Solutions
for a
small
planet

IBM

Herald Tribune BUSINESS / FINANCE

THURSDAY, OCTOBER 5, 1995

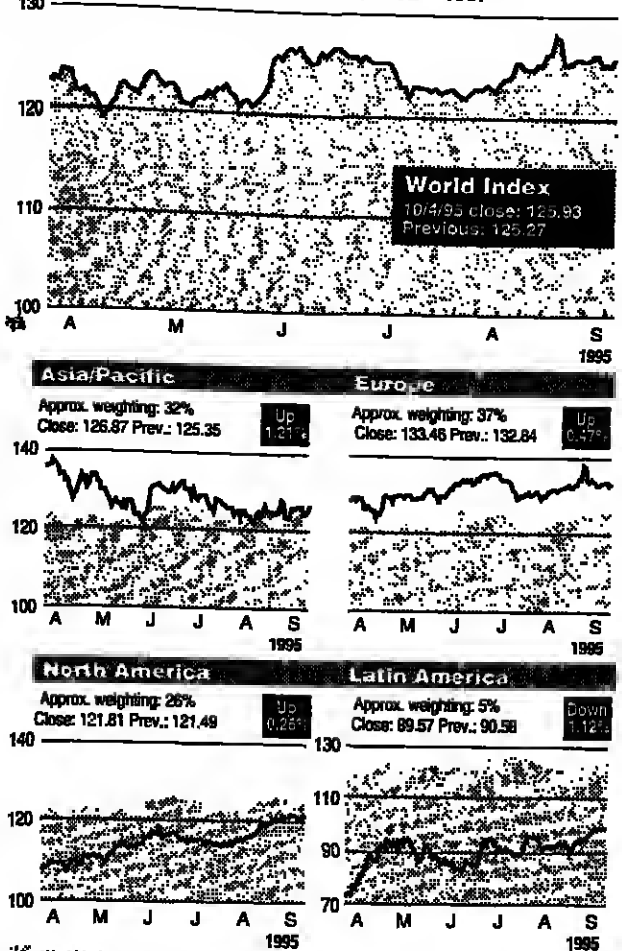
Connect
at
TELECOM
'95.

IBM

PAGE 19

THE TRIB INDEX: 125.93

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks the U.S. dollar value of stocks in Tokyo, New York, London, and other major financial centers. The index is composed of the 20 top issues in terms of market capitalization, followed by the 10 top issues in each of the 20 countries.

Industry	Oct. 4	9/29	% Chg.	Industry	Oct. 4	9/29	% Chg.
Energy	124.94	123.71	+0.90	Capital Goods	133.50	134.09	-0.44
Utilities	124.57	124.30	+0.22	Raw Materials	140.97	141.36	-0.28
Finance	118.18	116.98	+1.03	Consumer Goods	128.35	127.32	+0.81
Services	119.93	119.57	+0.22	Miscellaneous	140.50	140.45	+0.04

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

© International Herald Tribune

Global Wireless: Still a Dream?

By Mark Landler
New York Times Service

GENEVA — The concept has great promise: a string of satellites offering genuinely global wireless-telephone service so a caller would never be out of range.

Making the concept reality, however, is proving stubbornly difficult. As the telecommunications industry gathers here for its quadrennial trade show, Telecom '95, the four major services in the nascent global wireless business are on the defensive for the first time in their brief history.

A pair of troubled recent debt offerings have raised questions about the viability of so-called global personal communications.

A satellite service, Iridium Inc., canceled a \$300 million bond issue last month because it could not reach agreement with prospective investors on how much the bonds should yield, and industry executives said a rival service, Globalstar I.P., was encountering resistance to a \$400 million offering for the same reasons.

"We've had no experience whatsoever with satellite-based personal communications," said Bill Deatherage, a telecommunications analyst at Bear, Stearns & Co., "so it's all very speculative."

On paper, global personal communications would seem

to plug a yawning gap in wireless communications. Cellular telephones work only within range of transmission towers, and they rarely

function outside their home markets because countries use a hodgepodge of formats to transmit cellular signals.

Iridium's system, by contrast, picks up the call from a hand-held telephone, passes it from satellite to satellite and

Nynex Invests in Jakarta

Compiled by Our Staff From Dispatches

GENEVA — Nynex Corp. said Wednesday that it would buy 23 percent of an Indonesian mobile telephone venture that plans to invest \$800 million to develop a nationwide, digital, cellular-telephone network.

The American telephone company and its partners, Mitsui, the Japanese trading firm, and Asian Infrastructure Fund, an Asian investment firm, will invest \$250 million in Exelcomindo. The remaining investment will come from PT Telekomindo of Indonesia and local investors, including Santana Telekomindo, Yayasan Kartika Eka Paks and Yayasan Tridaya.

"Our focus in the international market is in Asia, that's where our developmental activity is and where we will spend most of our dollars," Fred Salerno, Nynex vice chairman of finance and business development, said. "Asia is a high gross area from the GDP point of view, it has a low penetration of telephones and it's a place where we can realize our investment."

Robert W. Kinzie, chairman and chief executive of Iridium, which was set up by Motorola Inc. in 1990. "We see this as a way to create an entirely new business."

The recent travails of Iridium and Globalstar, however, underscore just how speculative this business is.

Apart from the technical question involved in using dozens of satellites or hundreds of ground stations to handle calls, several telecommunications specialists said the companies might be overestimating their markets. Iridium, which is aiming its service primarily at affluent business travelers, figures it can sign up 650,000 subscribers by 2000.

But the company plans to charge \$3 a minute for its service. At that price, some question whether even well-heeled executives will use the service as anything other than a last resort when no other phones are available.

Globalstar and another competitor, Odyssey, a joint venture of TRW Inc. and Teglobe Canada Inc., plan to phone systems are primitive. But Mr. Kinzie said it was difficult to see how those markets could be profitable.

"I don't know how to sell a peasant a telephone," he said. "There are no Radio Shacks out there."

SEAT Will Cut Capacity to Get Spanish Bailout

By Tom Buurke
International Herald Tribune

BRUSSELS — SEAT, the Spanish subsidiary of the automaker Volkswagen AG, has agreed to cut production capacity by 30 percent to win European approval for a government bailout of 46 billion pesetas (\$370 million), officials said Wednesday.

The agreement, although expected to be made final until the end of the month, would remove a cloud that has hung over SEAT since it posted a huge loss of 151.1 billion pesetas in 1993.

The Spanish government agreed in July 1994 to provide 38 billion pesetas in aid after Volkswagen threatened to close the company down. The regional government of Catalonia, where SEAT is based, added a further 8 billion pesetas.

"We are all very happy about the announcement, which we had all hoped for and expected," Utz Claassen, SEAT's chief financial officer, was quoted by Bloomberg Business News as saying.

The capacity cuts were agreed to provisionally on

Wednesday at a meeting in Brussels between Karel Van Miert, the European commissioner for competition, and Juan Manuel Eguiguren, Spain's minister for industry. Details of the agreement should be final by the end of the month, officials said.

Under the plan, SEAT has until December 1997 to shut its assembly plant in Zofrafranca, which has the capacity to produce 1,000 vehicles a day, said Willy Helin, a commission spokesman.

The 30 percent cut was based on SEAT's capacity in 1993 of 780,000 cars a year. That amounts to a reduction of 5 percent to 6 percent in capacity for all of Volkswagen, Europe's biggest automaker.

The Spanish government submitted the new plan after the commission rejected a different proposal earlier this year that claimed the subsidies would be used for research and development.

The subsidies in effect are being used to finance massive layoffs. Since SEAT began its restructuring last year, it has let 6,000 of its 18,500 workers go.

Top Financial Officer at Apple Resigns After Board Backs CEO

Compiled by Our Staff From Dispatches

CUPERTINO, California — The top financial officer at Apple Computer Inc. resigned Wednesday after losing a board battle about the future of the company with Chief Executive Michael Spindler.

Joseph A. Graziano, the chief financial officer and executive vice president, quit after he made an unsuccessful attempt to oust Mr. Spindler and put the computer maker up for sale, people close to the company said. It was the latest in a series of management shake-ups at the computer maker in the last decade.

"This points up the turmoil at Apple," said Bill Miller, food manager at Legg Mason, which

owns about 1 million shares of Apple. "You only resign when it is a major deal."

Apple stock fell after the company announced Mr. Graziano's resignation. The shares closed down \$1.25, at \$36.57.

Mr. Graziano told directors Tuesday in Austin, Texas, that he would quit if the company was not sold, because he did not believe it could survive alone, people said.

The board backed Mr. Spindler, and Mr. Graziano resigned as a director effective immediately. He will leave the company by the end of the year, the company said in a statement, attributing his move to "differences of opinion" with Mr. Spindler.

Apple is struggling to boost its dwindling market share, raise profits and compete against rivals that sell less expensive personal computers based on chips from Intel Corp. and operating software from Microsoft Corp.

"The board will continue working with Mr. Spindler to address the challenges and exciting opportunities we face in the dynamic personal computer industry," the chairman, Mike Markkula, said.

Due to a number of missteps, Apple has been unable to keep up with surging demand for its new Power Macintosh line. A shortage of parts and chronic underestimation of demand had

raised speculation that the board would look at significant management changes when it convened in Texas for its regular meeting.

But the board struck an upbeat note after the meeting. "The unprecedented demand for our new products demonstrates the growing appeal of the Macintosh platform," Mr. Markkula said.

While Mr. Spindler has enjoyed Mr. Markkula's support and has been credited with engineering the transfer to the Power Macintosh line, some observers have noted that Apple's board ousted John Sculley two years ago at a time of weak profits and doubts about the company's future. (Bloomberg, AP)

INTERNATIONAL MANAGER

Sorghum's Story: A Setback for Blacks

By Donald G. McNeil Jr.
New York Times Service

JOHANNESBURG — Sorghum beer, the first drink served at any African wedding or funeral, is as important to black Africans as wine is to Christians and Jews. It's also big business.

But until the waning days of apartheid, the right to brew it was a pawn in South Africa's racial struggle. In 1990 that franchise, plus 20 state-owned breweries, was incorporated and returned to black ownership.

The new company, National Sorghum Breweries, with many of its 44 million shares in the hands of small investors, instantly became the largest black-owned industrial enterprise in South Africa, the chief symbol of a new black economic empowerment.

But the experiment failed miserably — plagued by a lack of capital, management mistakes, unwise investments, badly marketed products, a huge competitor, bad luck, white bigotry and even a lingering prejudice against its product among some black customers. Two months ago, National Sorghum was substantially taken over by a conglomerate from India.

National Sorghum's story is a parable for other black capitalists as they enter a marketplace shaped by years of apartheid and isolation, providing vivid evidence that even though blacks have won political power here, economic power is still far off.

As dysfunctional as the company was under its departing management, the hopes of many black capitalists rode on it. Its fate may help determine how blacks feel about competing in a white-dominated economy.

White executives would do well to watch, too. They are, after all, facing a black government pushing aggressive free-trade and antitrust laws as an alternative to the monopolistic and tariff-protected world known until now by South Africa's conglomerates.

The product that accounts for virtually all of National Sorghum's \$160 million in annual sales is sorghum beer, one of the world's few commercial products developed in the Stone Age.

Brewed in eight hours and shipped unrefrigerated, it is drinkable for only four days. You know it is fresh by the worm: the twist of foam that fizzes out as it keeps fermenting in the carton.

In 1908, arguing that blacks ought to pay for their own roads and schools, South African cities turned the traditional all-beer into a tax scheme. They outlawed home brewing of mashed sorghum grain in clay pots and built municipal-brewery beer halls next to train stations.

With government encouragement, laborers drank away their paychecks, and many became placid alcoholics. Control was so strong that by 1962 an African needed a license to buy any other alcoholic beverage. Understandably, in many demonstrations the first building torched was the beer hall.

In 1990, the year the government re-

leased Nelson Mandela, it also agreed to give back the sorghum beer business.

The taker was Mohale Mahanyele, a business professor who led the National African Federated Chamber of Commerce, a little-known anti-apartheid organization that fought with spreadsheets rather than guns.

"My job was to demand that the state return the industry to the people it had stolen it from," Mr. Mahanyele said. "I had studied the company, so I was one of the black people most familiar with running it."

Rather than hand it over outright, the government set a price of 44 million rand (\$12 million) for 20 breweries probably worth four times that.

Within three months, Mr. Mahanyele had nearly 10,000 people, nearly all of them blacks, signed up for shares at one rand each. Mr. Mandela was given 100,000 shares, but the more typical shareholder was a shebeenier — the owner of an illegal bar — who had cash and a nose for the business.

As was often the case for blacks in any organization that had been run by Afrikaners, the new boss was not made welcome. "For the first six months, they kept me out," he said. "I was chairman, and I couldn't even get a parking place."

Meanwhile, about 80 percent of the virtually all-white work force quit. "One guy said to me as he left, 'In my whole life, I never thought I'd have a black man for a boss. But a kaffir for my chairman? That is too much,'" Mr. Mahanyele said.

See SORGHUM, Page 23

2d Trader Reported Involved in Daiwa Loss

Compiled by Our Staff From Dispatches

TOKYO — A second dealer was involved in unauthorized bond trading at the New York branch of Daiwa Bank Ltd., a Japanese newspaper reported Wednesday.

U.S. prosecutors last week charged Yoshihide Iguchi, a former Daiwa Bank trader, with falsifying the bank's records in order to conceal \$1.1 billion in bond losses over 11 years.

The Asahi Shimbun said authorities had discovered that another dealer was involved in the incident after November 1993. A Daiwa spokesman said the bank was still investigating the loss and did not yet have details.

Japan's Finance Ministry has ordered Daiwa Bank to submit the result of its own investigation into the incident to the ministry by the end of October, ministry sources said.

Daiwa Bank said Wednesday it hoped to make the outcome of its investigation public by late November when it announces its half-year earnings.

The U.S. Federal Reserve Board and the New York Superintendent of Banks earlier this week ordered Daiwa Bank to submit a written plan within five days to cut trading at its New York branch to the minimum necessary to serve customers and manage risk in existing positions.

Daiwa Bank said Wednesday it expected officials from the Japanese Finance Ministry to begin poring over its books by the end of the week as authorities step up their investigation.

Keizo Tsujiyama, manager of corporate communications at the bank's Osaka headquarters, said Wednesday that Daiwa expected Ministry of Finance employees "tomorrow or the next day."

Japanese financial authorities confirmed that they had started a sweeping review of Daiwa Bank's risk-management practices. They refused to comment on the details of the inquiry.

Daiwa Bank denied press reports that its President, Akira Fujita, would resign to take responsibility for the scandal. (Reuters, Bloomberg)

IMF Upbeat on World Growth

By Brian Knowlton
International Herald Tribune

WASHINGTON — Japan, shaken this year by a banking crisis and a stagnant economy, can expect renewed growth by 1996, officials of the International Monetary Fund said Wednesday.

They painted a generally positive picture of growth worldwide in presenting the IMF's World Economic Outlook report, traditionally issued just ahead of the annual IMF-World Bank meetings here.

Prospects for Japan are probably better than IMF numbers show, said Michael Mussa, the IMF's economic counselor and director of research. "We'd expected an even larger write-down," said Mr. Mussa. He said there were "a number of positive signs that in '96 we will see Japan move definitely and significantly toward the path of recovery."

A May prediction that Japan would see growth next year of 3.5 percent has been scaled back to 2.2 percent. But that is still above the forecast for 1995 of a sluggish 0.5 percent.

Positive signs, Mr. Mussa said, include a dramatic return of the yen to "a more reasonable" range of exchange rates and increased foreign investment following a period of decline. Nor did the IMF figures take into account recent fiscal measures announced by the Japanese government.

In other areas, the report predicted: • A moderation of growth in the United States, Britain and Australia. But Mr. Mussa said this was "not untoward," because it had ended what might have been a threat of inflation. • A continuation of relatively strong growth in France and Germany, though at slightly slower

rates than predicted in May, and a mild decline in the Italian growth rate.

• A rapid return to growth by Mexico, amid "significant signs of recovery," following a predicted contraction of its economy by 5 percent in this year of economic crisis.

The IMF's forecast for the United States of modest 2.0 percent growth next year reflects some weakening of indicators, Mr. Mussa said. He attributed this partly to a mild inventory correction, a rise in long-term interest rates and a "spillover of Mexico's corrections," which had affected net U.S. exports.

Any further easing of monetary policy beyond the small cut in the federal funds rate on July 6 appears unwarranted, the IMF report says.

Mr. Mussa cautioned that if the U.S. Congress failed to forcefully reduce the federal budget deficit, as financial markets expect, the bond and possibly stock markets could react adversely.

Germany is expected to grow by 2.6 percent this year and 2.9 percent in 1996. Mr. Mussa said a slight weakening of the Deutsche mark "would probably be a good thing for Germany, and Europe, and the rest of the world's economies as well."

In Britain, easing inflation pressures have largely removed the need for a rise in short-term interest rates, Mr. Mussa said. Growth of 2.9 percent is expected this year, up from 2.7 percent this year.

The report said the French economy should be boosted by strong export demand and newly strengthened consumer confidence, though 3.0 percent growth this year is expected to slip slightly to 2.8 percent in 1996.

Mr. Mussa said Italy had set "quite ambitious" fiscal targets, but that the perennial question of their political "durability" left markets skeptical.

CURRENCY & INTEREST RATES

Cross Rates										Oct 4										Eurocurrency Deposits										Oct 4									
	\$	£	D.M.	F.F.	Lira	D.F.	B.P.	S.F.	Yen	CS	Pounds		Dollar	D-Mark	Swiss	French	ECU		Dollar	D-Mark	Swiss	French	ECU		Dollar	D-Mark	Swiss	French	ECU										
Amsterdam	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
London	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Frankfurt	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
London (set)	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Moscow	12.19	19.56	16.24	24.99	7.48	1.78	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02										
New York (set)	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Paris	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Porto	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Tokyo	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Zurich	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
1 ECU	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
1 SDR	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340										
Closings in Amsterdam, London, Hong Kong, New York, Paris and Zurich, Fridays to other centers;																																							
Toronto rates of 3 p.m.																																							
To buy use pounds: 0. To buy one pound: . Units of 100; N.L.G.: not quoted; A.T.A.: not																																							
available																																							
Other Dollar Values										United States										Money Rates																			
Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$										
Australia	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Canada	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
France	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Germany	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Italy	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Japan	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
UK	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
US	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Switzerland	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Sweden	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Spain	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
South Africa	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
South Korea	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340											
Taiwan	1.4845	1.340	1.197	1.229	1.997	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340	1.340																								

NYSE

Wednesday's 4 p.m. Close
Nasdaq prices not reflecting late trades elsewhere.
The Associated Press.

High Low Open Close

IBM 125.00 125.00 125.00 125.00

Microsoft 60.00 60.00 60.00 60.00

Apple 50.00 50.00 50.00 50.00

Oracle 40.00 40.00 40.00 40.00

Sun Microsystems 30.00 30.00 30.00 30.00

Lucent Technologies 20.00 20.00 20.00 20.00

Motorola 15.00 15.00 15.00 15.00

Intel 35.00 35.00 35.00 35.00

Advanced Micro Devices 25.00 25.00 25.00 25.00

Texas Instruments 18.00 18.00 18.00 18.00

National Semiconductor 12.00 12.00 12.00 12.00

Linear Technology 10.00 10.00 10.00 10.00

Maxim Integrated Products 8.00 8.00 8.00 8.00

Analog Devices 7.00 7.00 7.00 7.00

ADI 6.00 6.00 6.00 6.00

Rockwell International 5.00 5.00 5.00 5.00

Rockwell Automation 4.00 4.00 4.00 4.00

Rockwell Automation 3.00 3.00 3.00 3.00

Rockwell Automation 2.00 2.00 2.00 2.00

Rockwell Automation 1.00 1.00 1.00 1.00

Rockwell Automation 0.50 0.50 0.50 0.50

Rockwell Automation 0.25 0.25 0.25 0.25

Rockwell Automation 0.125 0.125 0.125 0.125

Rockwell Automation 0.0625 0.0625 0.0625 0.0625

Rockwell Automation 0.03125 0.03125 0.03125 0.03125

Rockwell Automation 0.015625 0.015625 0.015625 0.015625

Rockwell Automation 0.0078125 0.0078125 0.0078125 0.0078125

Rockwell Automation 0.00390625 0.00390625 0.00390625 0.00390625

Rockwell Automation 0.001953125 0.001953125 0.001953125 0.001953125

Rockwell Automation 0.0009765625 0.0009765625 0.0009765625 0.0009765625

Rockwell Automation 0.00048828125 0.00048828125 0.00048828125 0.00048828125

Rockwell Automation 0.000244140625 0.000244140625 0.000244140625 0.000244140625

Rockwell Automation 0.0001220703125 0.0001220703125 0.0001220703125 0.0001220703125

Rockwell Automation 0.00006103515625 0.00006103515625 0.00006103515625 0.00006103515625

Rockwell Automation 0.000030517578125 0.000030517578125 0.000030517578125 0.000030517578125

Rockwell Automation 0.0000152587890625 0.0000152587890625 0.0000152587890625 0.0000152587890625

Rockwell Automation 0.00000762939453125 0.00000762939453125 0.00000762939453125 0.00000762939453125

Rockwell Automation 0.000003814697265625 0.000003814697265625 0.000003814697265625 0.000003814697265625

Rockwell Automation 0.0000019073486328125 0.0000019073486328125 0.0000019073486328125 0.0000019073486328125

Rockwell Automation 0.00000095367431640625 0.00000095367431640625 0.00000095367431640625 0.00000095367431640625

Rockwell Automation 0.000000476837158203125 0.000000476837158203125 0.000000476837158203125 0.000000476837158203125

Rockwell Automation 0.0000002384185791015625 0.0000002384185791015625 0.0000002384185791015625 0.0000002384185791015625

Rockwell Automation 0.00000011920928955078125 0.00000011920928955078125 0.00000011920928955078125 0.00000011920928955078125

Rockwell Automation 0.000000059604644775390625 0.000000059604644775390625 0.000000059604644775390625 0.000000059604644775390625

Rockwell Automation 0.0000000298023223876953125 0.0000000298023223876953125 0.0000000298023223876953125 0.0000000298023223876953125

Rockwell Automation 0.00000001490116119384765625 0.00000001490116119384765625 0.00000001490116119384765625 0.00000001490116119384765625

Rockwell Automation 0.000000007450580596923828125 0.000000007450580596923828125 0.000000007450580596923828125 0.000000007450580596923828125

Rockwell Automation 0.0000000037252902984619140625 0.0000000037252902984619140625 0.0000000037252902984619140625 0.0000000037252902984619140625

Rockwell Automation 0.00000000186264514923095703125 0.00000000186264514923095703125 0.00000000186264514923095703125 0.00000000186264514923095703125

Rockwell Automation 0.000000000931322574615478515625 0.000000000931322574615478515625 0.000000000931322574615478515625 0.000000000931322574615478515625

Rockwell Automation 0.0000000004656612873077392578125 0.0000000004656612873077392578125 0.0000000004656612873077392578125 0.0000000004656612873077392578125

Rockwell Automation 0.00000000023283064365386962890625 0.00000000023283064365386962890625 0.00000000023283064365386962890625 0.00000000023283064365386962890625

Rockwell Automation 0.000000000116415321826934814453125 0.000000000116415321826934814453125 0.000000000116415321826934814453125 0.000000000116415321826934814453125

Rockwell Automation 0.0000000000582076609134674072265625 0.0000000000582076609134674072265625 0.0000000000582076609134674072265625 0.0000000000582076609134674072265625

Rockwell Automation 0.00000000002910383045673370361328125 0.00000000002910383045673370361328125 0.00000000002910383045673370361328125 0.00000000002910383045673370361328125

Rockwell Automation 0.000000000014551915228366851806640625 0.000000000014551915228366851806640625 0.000000000014551915228366851806640625 0.000000000014551915228366851806640625

Rockwell Automation 0.0000000000072759576141834259033203125 0.0000000000072759576141834259033203125 0.0000000000072759576141834259033203125 0.0000000000072759576141834259033203125

Rockwell Automation 0.00000000000363797880709171295166015625 0.00000000000363797880709171295166015625 0.00000000000363797880709171295166015625 0.00000000000363797880709171295166015625

Rockwell Automation 0.000000000001818989403545856475830078125 0.000000000001818989403545856475830078125 0.000000000001818989403545856475830078125 0.000000000001818989403545856475830078125

Rockwell Automation 0.0000000000009094947017729282379150390625 0.0000000000009094947017729282379150390625 0.0000000000009094947017729282379150390625 0.0000000000009094947017729282379150390625

Rockwell Automation 0.00000000000045474735088646411895751953125 0.00000000000045474735088646411895751953125 0.00000000000045474735088646411895751953125 0.00000000000045474735088646411895751953125

Rockwell Automation 0.000000000000227373675443232059478759765625 0.000000000000227373675443232059478759765625 0.000000000000227373675443232059478759765625 0.000000000000227373675443232059478759765625

Rockwell Automation 0.0000000000001136868377216160297393798828125 0.0000000000001136868377216160297393798828125 0.0000000000001136868377216160297393798828125 0.0000000000001136868377216160297393798828125

Rockwell Automation 0.00000000000005684341886080801486968994140625 0.00000000000005684341886080801486968994140625 0.00000000000005684341886080801486968994140625 0.00000000000005684341886080801486968994140625

Rockwell Automation 0.000000000000028421709430404007434844970703125 0.000000000000028421709430404007434844970703125 0.000000000000028421709430404007434844970703125 0.000000000000028421709430404007434844970703125

Rockwell Automation 0.0000000000000142108547152020037174224853515625 0.0000000000000142108547152020037174224853515625 0.0000000000000142108547152020037174224853515625 0.0000000000000142108547152020037174224853515625

Rockwell Automation 0.00000000000000710542735760100185871124267578125 0.00000000000000710542735760100185871124267578125 0.00000000000000710542735760100185871124267578125 0.00000000000000710542735760100185871124267578125

Rockwell Automation 0.000000000000003552713678800500929355621337890625 0.000000000000003552713678800500929355621337890625 0.000000000000003552713678800500929355621337890625 0.000000000000003552713678800500929355621337890625

Rockwell Automation 0.0000000000000017763568394002504646778106689453125 0.0000000000000017763568394002504646778106689453125 0.0000000000000017763568394002504646778106689453125 0.0000000000000017763568394002504646778106689453125

Rockwell Automation 0.00000000000000088817841970012523233890533447265625 0.00000000000000088817841970012523233890533447265625 0.00000000000000088817841970012523233890533447265625 0.00000000000000088817841970012523233890533447265625

Rockwell Automation 0.000000000000000444089209850062616169452667236328125 0.000000000000000444089209850062616169452667236328125 0.000000000000000444089209850062616169452667236328125 0.000000000000000444089209850062616169452667236328125

Rockwell Automation 0.0000000000000002220446049250313080847263336181640625 0.0000000000000002220446049250313080847263336181640625 0.0000000000000002220446049250313080847263336181640625 0.0000000000000002220446049250313080847263336181640625

Rockwell Automation 0.00000000000000011102230246251565404236316680908203125 0.00000000000000011102230246251565404236316680908203125 0.00000000000000011102230246251565404236316680908203125 0.00000000000000011102230246251565404236316680908203125

Rockwell Automation 0.000000000000000055511151231257827021181583404541015625 0.000000000000000055511151231257827021181583404541015625 0.000000000000000055511151231257827021181583404541015625 0.000000000000000055511151231257827021181583404541015625

Rockwell Automation 0.0000000000000000277555756156289135105907917022705078125 0.0000000000000000277555756156289135105907917022705078125 0.0000000000000000277555756156289135105907917022705078125 0.0000000000000000277555756156289135105907917022705078125

Rockwell Automation 0.00000000000000001387778780781445675529539585113525390625 0.00000000000000001387778780781445675529539585113525390625 0.00000000000000001387778780781445675529539585113525390625 0.00000000000000001387778780781445675529539585113525390625

Rockwell Automation 0.000000000000000006938893903907228377647697925567626953125 0.000000000000000006938893903907228377647697925567626953125 0.000000000000000006938893903907228377647697925567626953125 0.000000000000000006938893903907228377647697925567626953125

Rockwell Automation 0.0000000000000000034694469519536141888238489627838134765625 0.0000000000000000034694469519536141888238489627838134765625 0.0000000000000000034694469519536141888238489627838134765625 0.0000000000000000034694469519536141888238489627838134765625

Rockwell Automation 0.00000000000000000173472347597680709441192448139190673828125 0.00000000000000000173472347597680709441192448139190673828125 0.00000000000000000173472347597680709441192448139190673828125 0.00000000000000000173472347597680709441192448139190673828125

Rockwell Automation 0.000000000000000000867361737988403547205961224069553369140625 0.000000000000000000867361737988403547205961224069553369140625 0.000000000000000000867361737988403547205961224069553369140625 0.000000000000000000867361737988403547205961224069553369140625

Rockwell Automation 0.0000000000000000004336808689942017736029806120347766845703125 0.0000000000000000004336808689942017736029806120347766845703125 0.0000000000000000004336808689942017736029806120347766845703125 0.0000000000000000004336808689942017736029806120347766845703125

Rockwell Automation 0.00000000000000000021684043449710088680149030601738834228515625 0.00000000000000000021684043449710088680149030601738834228515625 0.00000

ASIA/PACIFIC

China Sets Course To Be World's Biggest Economy

Compiled by Our Staff From Dispatches

BEIJING — In its Ninth Five-Year Plan, China sketches a path toward its goal of becoming the world's largest economy in the next century, according to details of the unreleased document that circulated Wednesday.

The primary aim of the plan — one of China's last socialist tools, along with a strategy for the period to 2010 passed by the Communist Party Central Committee last week — are industrialization and creation of an economy that would rank third in the world after the United States and Japan in about 15 years. By 2030, it could be the world's largest economy, the draft said.

The plan for the period 1996-2000 sets a growth target of 9.3 percent a year in gross domestic product, easing in 8 percent in the following decade, according to the draft, which was approved by Communist Party leaders at a summer policy meeting and presented to its central committee last week.

The draft of the plan sees China evolving into a major force among Asian economies, attracting Western and Asian capital, and establishing its own multinational companies. Following normalization of ties with Russia and peace along its borders, China faces the best conditions in a century for economic development, it says.

But this bright vision of the future is not without shadows. "Shortages in output of petroleum and grain are becoming daily more pronounced," the draft says. "The enormous import demand of rapid economic growth and industry will continue to disrupt international balances."

Meanwhile, debts of state-owned enterprises are huge, and old industrial bases are retreating as urban unemployment rises. China's leaders, while keeping the details under wraps, have assured the country's 1.2 billion people there will be no straying from the market reforms espoused in 1979 by the senior

leader, Deng Xiaoping.

A summary of the plan published by the Xinhua news agency Wednesday said the government aimed to make most of its 11,000 large state enterprises responsible for their own profits and losses by the end of the century.

The summary called for failing enterprises in being declared bankrupt and workers to be laid off to raise efficiency. But it also called for continued government support for healthy state enterprises and for the state sector to be the "mainstay of market competition."

But it also called for continued government support for healthy state enterprises and for the state sector to be the "mainstay of market competition." Glimpses of the unreleased final draft, meanwhile, reveal an uneasy alliance of cautious policies to guarantee full employment even at the expense of profitable industry, coupled with an ambitious drive to overtake the developed world in per-capita output by the middle of the 21st century.

Fear of unemployment was a deciding factor in setting the high economic growth rate, one planning official said, referring to the leadership's overriding concern that joblessness would prompt social instability and threaten their grip on power.

"The only way to keep unemployment from boiling over is to ensure an economic growth rate that will create a certain number of jobs," he said.

Economists estimated a growth rate of 9 percent could create 58 million jobs in the next five years, while 10 percent would create 65 million jobs.

Officials calculate China must find work for 10 million new workers each year from 1996-2000, in addition to those laid off by companies trying to improve their efficiency.

To tackle inflation, a second potential cause of social unrest, the plan envisions loosening some price controls on state farms to ensure adequate supplies, perhaps accompanied in early 1996 by an easing of a two-year-old credit squeeze, the planning official said.

(Reuters, Bloomberg)

Erosion of the Very Foundation

Real Estate Crash Threatens Japan's Economy

By Sheryl WuDunn
New York Times Service

KITAMOTO, Japan — In a land where house rents can reach \$25,000 a month, perhaps the biggest surprise is not how expensive real estate is, but how far prices have fallen.

Real estate values in general have plummeted in Japan by two-thirds to three-fourths from their peak five years ago, making sorry tales of the property slump in Europe and most of America seem almost sweet by comparison. The collapse here is threatening the financial system of the world's second-biggest economy after the United States.

Fortunes are being lost, companies are going bankrupt, homeowners are suffering from diminishing wealth, and the nation's banks, saddled with at least \$500 billion in ailing real estate loans, are reluctant to lend a helping hand. Yet Tokyo's is still one of the world's most expensive property markets.

The story of Japan's boom-to-bust real estate market is particularly sobering for Japan's nervous Asian neighbors, such as Hong Kong, India, Singapore, China, Taiwan and South Korea, where growth has sent property prices spinning out of control. A Japanese government study shows that the world's seven most expensive cities for commercial land values are in Asia.

Some analysts fear that Japan's real estate woes could decimate the nation's banking industry. Just this week, Japanese officials said seven giant housing-loan concerns, together saddled with \$63 billion in losses, would be closed.

The real estate deflation is good news to some people. It has made housing more affordable for Japanese consumers, and it has created a golden opportunity for American businesses.

With prices falling, it is much easier for U.S. companies, from retailers to automakers, to expand their presences here than in previous years.

But for the economy as a whole, the real estate crash has been a disaster. In one of its most striking manifestations, ghost towns are emerging in commercial and residential districts.

Even in Tokyo, a city where crowds swell so thickly that rush-hour pedestrian traffic moves like molasses and professional shovers pack commuters onto trains, empty office buildings and darkened windows are becoming a common sight.

While would-be homeowners salivate at falling housing costs, they are jittery at paying prices that remain exorbitant by the standards of most countries, and that still have plenty of room to tumble.

Yoshikazu Itohashi, a computer engineer, knows plenty about ghost towns. Not only does he live in one, he works in one.

Ten months after Mr. Itohashi paid \$330,000 for an apartment in an isolated new housing development in the Tokyo suburb of Kitamoto, the tower is only 20 percent occupied, and his children do not have to fight for the playground swings, because they have not materialized.

Mr. Itohashi's new offices, nearly two hours by train from his home, make New York City's troubled Rockefeller Center look like a money machine. The development, called Tennenzo Isle, is led by

Mitsubishi Corp., the umbrella company for Mitsubishi Estate Co., which is pulling out of Rockefeller Center.

A few years ago, Tennenzo Isle was billed as Japan's biggest commercial community, with parks, shopping malls and office towers near a waterfront.

Now, elevators glide past empty floors in some of the 11 office buildings, stores are going out of business and the complex has the feel of an isolated outpost. Its weekday population linked to the city only by a single, congested monorail.

"I usually can't get a seat on the train from Kitamoto," Mr. Itohashi said. "If the apartment wasn't so nice, I would be in real trouble."

A brief economic rebound last year led by housing activity buoyed hopes briefly before fizzling out, and the continuing fall in property prices has fueled a startling round of deflation for a wide range of goods and services.

While lower prices might cheer consumers, they hurt producers, and some financial specialists worry that a deflationary spiral could lead to a shrinking economy.

Without a recovery in the real estate market, which helped power Japan's phenomenal growth in the 1980s, the economy will probably not rebound strongly, analysts said. Although the economy grew modestly in the second quarter, analysts doubted the rate could be sustained.

"There is no simple answer to all this, and people are looking for simple answers," said David Atkinson, a financial analyst who once followed the real estate industry at Goldman Sachs (Japan) Ltd. "Much of the problems are structural."

Manila Stocks Slide on Inflation Surge

Bloomberg Business News

MANILA — Philippine consumer prices rose in September at their fastest rate in nearly four years, the government said Wednesday, renewing criticism that the central bank had allowed the money supply to grow too rapidly.

"The verdict is: Guilty as charged," said Joey Salceda, head of research at SBC Warburg in Manila.

The National Statistics Office said the annual inflation rate reached 11.8 percent in September, up from 8.4 percent in August, as a rice shortage led to soaring prices and natural disasters cut off supplies to some provinces.

"It was very unnerving. It really spooked the stock market," said Louie Bate, sales manager at Baring Securities Philippines Inc. "It was far higher than the most pessimistic forecasts."

The inflation figure drove the stock market's main index down 1.85 percent, to a five-month low of 2,569.33 points.

The statistics office said prices of rice, a staple food that accounts for 13 percent of the consumer price index, rose as much as 32 percent last month in some provinces. In metropolitan Manila, rice prices were up 9.6 percent from August.

Gabriel Singson, governor of the Central Bank of the Philippines, said the price surge

was only "a temporary phenomenon."

A drought earlier in the year caused rice yields to drop, and typhoons as well as distribution problems hampered delivery of imported rice. The rice shortage caused consumers to switch to corn, sending corn prices up 4.2 percent from the month before.

Mr. Salceda said a revised economic program, approved by the International Monetary Fund, that allowed the money supply to grow as much as 31 percent this year was the real culprit.

The central bank disputed that, saying that excluding the surge in rice prices, the inflation rate was just 6.4 percent in September.

SORGHUM: South African Brewer's Troubles Are a Setback for Black Business Aspirations

Continued from Page 19

hanyale said, shaking his head in amazement at the term, a South African racial slur. Mr. Mahanyale is a gracious raconteur with a large office atop a hill in the affluent suburb of Sandton. His detractors, eyeing his fleet of cars and his management style, call him a megalomaniac; even his bankers acknowledge that he rarely takes advice.

But he is a natural politician, charming and self-deprecating. No one had much confidence in him, he said. "Even the black writers said, 'Get a white man in hold your hand,'" he recalled.

At first, National Sorghum did well. With the exclusive license to brew sorghum, operating profit went from \$5 million in 1991 to \$10 million in 1993.

Then a series of disasters began. There was the purchase of Jabula Foods, which packaged meals for prisoners and miners. It seemed a natural fit — "jabula" means both "happiness" and "beer" in Zulu.

But as soon as word of the deal got out, Mr. Mahanyale said, Afrikaner penal officials canceled the prison contract, wiping out more than half of Jabula's income.

Soon after, a \$6 million investment in bonds issued by an insurance company lost a quick \$3 million; then a drought struck, forcing the company in

import American and Argentine sorghum at twice the price of the home-grown crop.

Next, the violence in black townships that preceded the 1994 elections cut deeply into sales. Some beer halls were burned, and drivers were frightened out of making deliveries.

Articles were published saying Jabula had been looted by employees. Mr. Mahanyale was criticized for hiring relatives and taking a \$200,000 bonus. His defenders say that such a bonus is paltry by Western standards and that hiring relatives makes sense when you need people you can trust.

The criticism, however, hurt National Sorghum's image. Through it all, the company paid out 20 percent annual dividends, which Mr. Mahanyale defended by saying shareholders demanded it.

He also began a startling, and risky, expansion effort. Mr. Mahanyale decided to start brewing lager — the hops-based beer favored by Americans and Europeans.

The reasoning was that sorghum is not a growing market. It may be quintessentially African, but blacks, who consume 85 percent of South Africa's beer, consider it the drink of the unemployed and the peasantry. Its nickname is "bush beer," while lager is "white man's beer."

As Phineas Nkosana, 29, a patron in a run-down Soweto

beer garden, put it: "I don't drink that African stuff. I only drink Amstel."

Moreover, sorghum beer is not about to become a big export product. It is outmoded, but it is also thick, milky and pinkish, tasting like a yogurt-wheatgrass drink with a kick.

Its economies are also more like that of milk than of beer. The cartons are 44 percent of the cost, and its short shelf life means regular deliveries are essential.

National Sorghum called its lager Vivo. With a big, sharp taste, it had the potential to become a high-priced niche beer in Western markets.

But it has not worked out that way. Without a clear marketing plan, and with interest rates at 18.5 percent, the company borrowed \$45 million — nearly its whole net worth — to build a brewery.

The move also put it in direct competition with South African Breweries Ltd., which had \$7 billion in sales last year and 99 percent of the beer market.

Pinky Kgame, Vivo's regional sales manager, finds the competition overwhelming. SAB offers retailers deals that he cannot possibly match, like volume discounts and trips to Europe. It rains handouts, from ashtrays to marquees, on pub owners, and sells them refrigerator wholesale.

"Legally, they have in keep my stock in it," Mr. Kgame said

of the refrigerator. "But maybe they give the guy a backhand" — he makes a gesture of a bill being passed — "and he takes the stuff out after I leave and tells his customers, 'Oh, yes, I have Vivo, but unfortunately, it's worn right now.'"

Graham Mackay, chief operating executive of South African Breweries, responding to charges of monopolistic practices, said his company "didn't lift a finger" in hurt National Sorghum's business.

"We didn't have to," he said dismissively. "They shot themselves in the foot. You can't sell anything in consumers anywhere in Africa just by saying it's made by a black company. African consumers don't like to be talked down to. They won't buy something because it's politically correct."

Vivo executives are forced to agree. "I'm sorry to say it, but Africans who can afford lager want to drink the white man's beer," said Moses Tau, a Vivo sales executive. "Whites try us out of curiosity."

The new brewery, which could fill 15,000 bottles an hour, was idled all but two days a week, and cash-flow problems mounted.

Mr. Mahanyale began to look for a rescuer, and eventually a \$35 million deal was reached with United Breweries Group of Bangalore, India, which has 40 percent of the Indian beer

and spirits market and has other African investments.

In August it bought 30 percent of National Sorghum for about \$1 a share — nearly four times what the original investors had paid. It has the right to buy as much as 50 percent.

Mr. Mahanyale will remain executive chairman for 18 months, then give way to United's chairman, Vijay Malviya. "We'll do what we do best: brewing the beer and selling it," Mr. Mahanyale said, "and they will do the finance."

United has already saved National Sorghum \$17 million a year by renegotiating its interest payments and the price it pays for cartons, according to Andrew Caplan of Fieldstone Private Capital, an American adviser who helped National Sorghum find its Indian partner.

Mr. Malviya has said he will continue making Vivo and will brew Kingfisher, the leading Indian brand, as well.

To subscribe in France
just call, toll free,
05 437 437

China Investigates Plywood Trading

Agence France-Presse

SHANGHAI — The China Securities Regulatory Commission sent officials to Shanghai to investigate two securities companies in connection with irregularities in plywood futures trading, an source said Wednesday.

The source said Southern Securities Co. and Jun An Securities Co. had been questioned about the large amount of money they had invested in plywood futures, some of which allegedly had been borrowed illegally.

An official of Southern Securities said he knew of the investigation but did not have any details to disclose.

An official of the futures department of the commission in Beijing refused to confirm the investigation, but said, "As far as I can say, inspection by the CSRC of exchanges is routine and normal."

Chinese exchange officials Wednesday played down a weekend suspension of plywood futures trading, saying stiff new margin rules would force speculators to limit their bets, Bloomberg Business News reported.

[Trading in plywood futures is to resume Monday, 10 days after speculators pushed the price of the November plywood futures contract 10 percent above the spot price on more than 1.4 million lots of plywood. Each lot represents 200 plywood sheets.]

[The new regulations require traders to post a 30 percent margin on positions larger than 20,000 lots of plywood, compared with the previous margin requirement of 5 percent. Traders will also be required to dis-

close their positions at the end of each day.]

[Some analysts praised the move as a sign exchange officials were serious about preventing a repetition of February's bond futures scandal, which cost the job of the president of the Shanghai Securities Exchange, Wei Wenyan.]

"[The exchange is doing the right thing by raising margins so it costs more in keep positions open," said William Grossman, director of Cargill Investor Services in Hong Kong.]

TO OUR READERS IN GERMANY

It's never been easier to subscribe and save — just call our Frankfurt office toll-free 0130-848585 or fax 069-175413.

Leveraged Capital Holdings

Weekly net asset value
on 02.10.95
US \$ 72.87
Listed on the Amsterdam Stock Exchange

Information: Mee-Pierson Capital Management
Rokin 55, 1012 KK Amsterdam
Tel.: +31-20-5211410.

CURRENCY AND CAPITAL MARKET SERVICES

TRADE NASDAQ STOCKS FOR \$35 COMMISSION.

JB OXFORD & CO, established 1983 is a leading discount broker handling in excess of 10,000 trades per day. Through our Representative Offices in Switzerland investors can now buy or sell NASDAQ stocks for \$35 commission. Call for further details.

TELEPHONE (41) 61 279 8870

SPECIALIZED FUTURES AND CASH TRADING SERVICES FOR THE INSTITUTIONAL AND INDIVIDUAL INVESTOR
Custom portfolio, direct floor access, international order desks, one-on-one assistance with establishing market positions through dedicated brokers, Internet services.

U.S. STOCK & FINANCIAL FUTURES MARKETS
Daily/weekly fax services with news, prices and trading recommendations based on 15 years' experience.
Fax UK (44) 1372 453512
or write to:
Kelstar Investment Corp.,
P.O. Box 192, Leatherhead, Surrey KT23 3YJ England.

For further details on how to place your listing contact:
WILL NICHOLSON in London
Tel: (44) 71 836 48 02
Fax: (44) 71 240 2254
Herald Tribune

SURGE TRADING S.A. FOREX & FUTURES BROKERS

21-23 Rue du Clos, CH-1211 GENEVA 6
Tel.: (41) 22-7002051 Fax: (41) 22-7002061
24/24 HOURS DESK - SEE CNN-TENT PAGE 695

COMPLIMENTARY REPORTS

Dynamic Techniques of a Professional Currency Trader
These comprehensive reports are mandatory reading for all investors trading, or contemplating trading today's currency markets. Futures to Forex, subjective fundamental to objective technical, self directed to managed, Mr. Catranis and his staff have reviewed it all.

EXECUTION FROM \$12 PER R/T TRADE
To receive your free reports and our service guide call toll-free:
Switzerland 155-7233 U.K. 0800-96-6632
Germany 0130-82-9666 France 0590-2246
Belgium 0800-1-5880 Denmark 8001-6132
Netherlands 06-022-0657 Greece 00-800-11-921-3013
American toll-free +714-495-8136 (fax) +714-495-8131 (voice)
American toll-free 800-858-7028 (fax) 800-858-7571 (voice)

PETER CATRANIS, SENIOR CURRENCY TRADER
Mr. Catranis is an 18 year veteran currency trader. He has authored numerous publications and software programs for beginners and experts alike. He has researched hundreds of currency programs and transacted billions of dollars in real-time trade. Currently he is accepting a limited number of new accounts. Account minimums \$10,000 to \$5,000,000 USD, depending on the program. FOREX CAPITAL MANAGEMENT. Exchanges in confidential trading services. Chicago Mercantile Exchange Center 30 S. Wacker Dr. 41972, Chicago IL, 60606, U.S.A.

INTERNATIONAL RECRUITMENT		
You will find below a selection of employment offers published in last Monday's International Herald Tribune For a copy of last Monday's paper, please call Fred Ronan on Paris (1) 41 43 93 91		
POSITION	COMPANY	CONTACT
Director, Purchase and Transportation Division, D-2	UNITED NATIONS	Mr. Adnan T. Issa Recruitment and Placement Officer, Office of Human Resources Management, Room S-2535, United Nations, New York, NY, 10017 - USA
Admissions Manager	INSEAD	INSEAD - Human Resources Management Recruitment and Welcome Department Boulevard de Constance 77305 Fontainebleau Cedex - FRANCE
Corporate Flight Attendant		Victor AHERN P.O. Box 8764, London SW7 4ZE - UK
CFO & 2 Assistants	Eastern European Distribution Company	Fax CV to France (33) 92 05 78 94

هكذا مني الاصل

INTERNATIONAL FUNDS

For information on how to list your fund, fax Katy Houn at (800) 447-7272.

87
 17
 64
 50
 .02
 .03
 .23
 .11
 1.11
 6.46
 100
 6.29
 6.05
 15.05
 50.99
 17.51
 22.99
 22.71
 41.51
 91.38
 22.61
 6.06
 44.79
 17.32
 34.50
 30.31E
 22E.14
 6.45
 17.23
 402.60
 165.00
 402.54
 402.54
 132.73
 195.07
 593.34
 28.04
 321.32

SPORTS

Celebrity Justice in Black America: O.J. Walks Because He Can Run

By Michael Wilbon
Washington Post Service

WASHINGTON — At a church in black Los Angeles, the announcement "not guilty" elicited a joyous celebration. In a classroom on the campus of Howard University, students erupted into prolonged cheers. On North Capitol Street, just north of Union Station, young black men who'd never met leaped out of cars and passionately high-fived each other because the Juice was loose. All over urban America, you could find these scenes Tuesday. It was as if acquitting O.J. Simpson made up for Rodney King and Ervin T. For all the black fathers and uncles and grandfathers who'd been jailed unjustly, for every brother who has been framed or railroaded, beaten into a confession or placed at the scene of a crime when he was a million miles away.

You know what? It doesn't make up for it. I'm a lot less concerned with O.J. Simpson's guilt or innocence than I am with this unjustified embrace of a man simply because he is a celebrity. All of America has become mesmerized by celebrity in the past 20 years. But nobody buys into celebrity, no-

body's suckered inescapably into it like black people, my people, the people who can least afford it. You know what happens every single day in urban courtrooms in America? Black juries, or predominantly black juries, convict black people of crimes with no more drama than necessary. Ordinary, everyday people. But not the chosen ones. You know who the chosen ones are in black America? People who dunk, tackle or sing. Can't touch them. A black delivery man on trial facing the same evidence Simpson faced is a black delivery man headed to prison for life. Don't be like the kid Lenell Geter in Dallas, an engineer who was thrown in jail for life for robbing a convenience store even though his white co-workers testified (truthfully) he was with them at the time of the robbery. If it weren't for "60 Minutes," Geter would be rotting in a cell right now. I don't remember the outcry on North Capitol Street (or anywhere else) over Geter being set free after a wrongful imprisonment. Geter couldn't dunk on anybody or run the power sweep, so how much could his life really be worth?

I worry that the people who feel overjoyed at Simpson's acquittal don't get it. Simpson is free because he played football, because he turned that into a movie career and he's rich. Period. This doesn't symbolize anything or portend great changes in the judicial system to somehow ensure a

better shake in the future for African-American citizens. Simpson is black, but it doesn't mean he spent any time being black in the larger and more important cultural sense. It's funny how we don't see or hear from these people in any social context until they're tied to the tracks with the train coming. Then, all of a sudden, they're black.

I worry that we, black people, are so desperate for heroes we'll take the worst candidates on the face of the earth because they ran sweet or had a nice crossover dribble. In the past year we've fawned over a drug user (Marion Barry), a convicted rapist (Mike Tyson) and a wife-beater (Simpson), as if those three somehow reflect the best of what we have to offer society at large or our own communities. We didn't ask for apologies or assurances it won't happen again, much less demand accountability. As the columnist Vernon Jarrett said recently on the topic of a celebration for Tyson: "I agree you let the singer back in the church, but you don't make him a bishop."

I'm not naive about one of the primary emotions involved here: vengeance. A lot of black people could care less about Simpson and see him truly for what he is. They simply see this as payback, even if the score is still about 1 million to one. They feel the chickens might have come home to roost Tuesday for all of our

relatives and ancestors who've been beaten and raped and lynched and murdered by whites without any consequence whatsoever. Personally, I think a better measure of justice is seeing the man who murdered Medgar Evers convicted some 30 years after the act. But, overwhelmingly, this is an emotional, not an intellectual, response.

While we need to be more practical and more sophisticated about whom we embrace blindly, I don't blame Johnnie Cochran for using the so-called "race card." He didn't put it in the deck. Black people didn't create the environment in this country that allows the race card to trump all else. In fact, part of me gets a bit excited about seeing a black man play it so skillfully. It's funny to hear the outcry over the defense team playing the race card when white politicians use it every election year (including the upcoming one), when white prosecutors have used it like a hammer to sway all-white juries against black defendants since America was first settled. In fact, the best thing about this trial from my point of view is that black viewers—and we sure as hell watch TV—have seen through Cochran and Christopher Darden that black people can skillfully compete at something besides sports.

I called my cousin Joan Wilbon, a Washington lawyer who has 15 years of trial experience, and she laughed when I asked her about playing the race card.

"Without a doubt, you're thinking of it when you walk into a courtroom," she said. "So is opposing counsel, white or black. And what's being over-looked is it's as much about class as it is race. There are cases with a black defendant where you don't want a black professional. In that case you might prefer a poor white juror. You're picking a juror you hope will be sympathetic, and you play to it. It's a bet that race, above all else, will defeat the system. It's certainly not unique to this case. But the emotional response I hear is more about vengeance. It's, 'We finally got you.' It's an emotional response to Mark Fuhrman, who stood for every white cop who ever planted evidence or was guilty of police brutality."

The bigger issue here, of course, is race. It's always race. What we've seen on television and heard on radio before and after the verdict only confirms that blacks and whites have a completely different reality when it comes to some things. You see evidence, I see a plant. I see a racist cop, you see a defense attorney's diversionary tactics. The lines aren't always that clear, but they were in this instance. Until we as a nation begin to pay attention, those two separate realities will continue to exist. And in one of those worlds, a blind and undying love for anyone famous will continue to drain us of energy that ought to be channeled in another direction.

Cowboys' Jones Vows to Launch Countersuit Against NFL

By Dave Sell
Washington Post Service

WASHINGTON — You've probably gone at least a couple of hours without hearing from or reading about the Dallas Cowboys owner, Jerry Jones, so here's an update.

Prior to visiting Washington over the weekend for a get-together with the Saudi Arabian ambassador, Prince Bandar bin Sultan, and that little matter of a game with the Redskins, Jones had a chat with Commissioner Paul Tagliabue and five National Football League owners about the \$300 million suit filed by NFL Properties against Jones. NFL Properties is the marketing arm of the

league, and the objection concerns Jones's side deals with Pepsi, Nike and American Express, which are competitors with companies that have paid to be official licensees of the NFL. There was no resolution at that meeting.

"Counter-suits are imminent," Jones said. "That is part of the process. If it's wrongful, you basically do the proper defense and most of the time that's offense. What we're doing with the talks is to see if there is some common ground that might keep this thing from not only escalating, which all litigation usually does. But it also might be a way to limit the negative public bloodletting and airing of sensitive issues for the country to see.

This potentially has more interest than the labor agreement or anything because it transcends the sports page."

"When everybody thinks of the league or the Cowboys, I'd like for them not to be thinking of litigation," he added. "But with the Al Davis litigation, this litigation, people like John Madden are right when they say we've got more attention paid there than is good for the NFL. But it's going to do nothing but escalate, more than likely."

Aside from the substance of his side deals, Jones's announcement of the Nike deal on "Monday Night Football" with a press release that said he was "bucking" the NFL further in-

furiated league leaders, who are used to hashing out disputes in private and coming forward with unified announcements. Jones said he regretted that the announcement might have diverted attention from the former New York Giants quarterback Phil Simms's retirement ceremony, but he made no other apologies.

Many around the league expect the Cowboys will never pay out most of the \$35 million contract signed by Deion Sanders, at least in the current form. Sanders gets a \$13 million signing bonus, but salaries for this season, '96 and '97 are at the league minimum (now \$178,000). The '98 salary is \$5.2 million, followed by salaries of \$6.25

million in 1999, and \$5 million in 2000 and 2001. The salaries—which amount to about \$22 million—are not guaranteed. Under NFL salary cap accounting rules, signing bonuses are pro-rated over the length of the contract. If a player is cut before the completion of the deal, the remaining pro-rated portions accelerate to the year the player leaves the team. But there is no cap in 1999, so if the Cowboys cut him after '98, the acceleration would not be a problem—assuming the rules don't change. The league likely will allow the deal and Jones expects Sanders to be a Cowboy through the fourth year of the deal.

SIDELINES

Injury Again Sidelines Gascoigne

GLASGOW (AP) — The often-injured midfielder Paul Gascoigne will miss England's exhibition soccer match next week with Norway because of injury and is doubtful for Glasgow Rangers' next European Champions' Cup match against Juventus.

Gascoigne limped off the field after 58 minutes with a thigh injury in Tuesday's Scottish Premier League 2-1 victory over Motherwell. The Rangers' manager, Walter Smith, said he expected Gascoigne to "be out for at least two weeks," missing next Wednesday's match in Norway and putting his presence in doubt for the Oct. 18 Champions' Cup game.

Gascoigne, a flashy and controversial player, came to Rangers this season in a \$4.3 million transfer (\$6.8 million) from the Italian club Lazio, where he spent three injury-riddled seasons. He broke his leg in April 1994 and was out of action for a year.

NHL Devils Trade MVP Lemieux

UNIONDALE, New York (AP) — Claude Lemieux, the Stanley Cup MVP for New Jersey last season, was traded twice Tuesday, ending up in Colorado in a three-way deal featuring disgraced stars who are among the National Hockey League's top forwards.

The Devils sent Lemieux to the New York Islanders for right wing Steve Thomas. The Islanders then traded Lemieux to the Avalanche for left wing Wendel Clark.

Lemieux scored 13 postseason goals in leading the Devils to their first NHL championship. But the 30-year-old right wing angered New Jersey general manager Lou Lamoriello by challenging a contract he signed in the offseason, then failing to report to camp because of the dispute.

Graf Set for WTA Championships

NEW YORK (AP) — Steffi Graf, Conchita Martínez and Arantxa Sánchez Vicario have qualified for the WTA Championships, to be played Nov. 13-19 at Madison Square Garden.

Previously, Monica Seles was given a special wild-card invitation to play in the 16-player, year-ending tournament. It can be used if she doesn't play her way into the field. Graf, who won the U.S. Open, Wimbledon and French Open this year, is a three-time winner of the tournament, winning in 1987, 1989 and 1993.

A fourth title would tie her with Chris Evert in second place for most singles titles in the tournament history. Martina Navratilova has won eight singles crowns.

For the Record

Ed O'Bannon, the first-round National Basketball Association draft pick who had UCLA to the 1995 National Collegiate Athletic Association basketball championship, signed Tuesday with the New Jersey Nets. The 6-foot-8-inch (2-meter) forward, drafted ninth overall, will receive between \$3.25 million and \$3.90 million over three years. (AP)

SCOREBOARD

BASEBALL

Japanese Leagues

Game	W	L	T	Pct	GB
Yokohama	80	47	0	.430	—
Hiroshima	72	54	1	.571	7 1/2
Yokohama	63	62	0	.504	16
Chunichi	47	79	0	.373	32 1/2
Hanshin	45	81	0	.357	34 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

Game	W	L	T	Pct	GB
Yokohama	82	47	1	.435	—
Yokohama	69	58	3	.543	12
Saitama	68	57	6	.545	13
Nippon Ham	59	68	3	.465	22
Daiichi	54	72	4	.431	26 1/2
Chunichi	49	77	3	.388	31 1/2

Baseball

Postseason Results

and
text col

